A 6-step approach for ITSM and ITOM to work better together

Steps 1 and 2
Many corporate IT organizations are currently trapped between the proverbial “rock and a hard place.” On the one hand, they need to “keep the lights on” by:

- Maintaining the status quo
- Effectively managing outages
- Enacting change swiftly and safely
- Leveraging insights into services and performance to help ensure that IT is meeting business stakeholder expectations

On the other hand, there’s the need to take the business forward by:

- Supporting the corporate digital transformation strategy across new products and services
- Creating better customer engagement mechanisms
- Modernizing back-office operations
- Using technology to help deliver against other elements of corporate strategy and operational improvement

To escape the trap, a new and better way of managing IT services is required. One that breaks down organizational silos to focus on better business outcomes through the optimal application of technology and data. This starts with bringing service management and operations management together for improved outcomes and greater insight.
Understanding the need for change (and what it entails)

You might have heard about the importance of the changing technology and business landscapes, but not know the full background. Now, it’s important to understand how real and widespread this change is. For instance:

• 2 out of 3 Global 2000 CEOs say that digital transformation is at the center of their corporate strategy1

• 77% of CIOs are taking a “cloud first” approach and 53% state that machine learning is already a key focus2

There’s no doubt that the worlds of both service management and operations management are changing rapidly (or should be)—with savvy CIOs and their teams understanding the opportunities available to IT organizations in better enabling their businesses.


Common barriers to change

We cannot overlook many of the challenges that CIOs and their organizations currently face, nor the impact that these barriers will have on an enterprise’s ability to change. For instance:

• **Siloed operations** – Where the unwanted results of people rigidly working in team/functional silos—instead of along service lines—manifests in delays, additional costs, and adverse effects on quality. This is then commonly exacerbated by the reliance on manual efforts, the use of disconnected tools, and the lack of insight into performance.

• **Service availability issues** – Green lights in domain-based monitoring—usually because of siloed operations—means little if just one domain causes an important business service to be down (or to run sub-optimally). To meet modern end-user and customer expectations, there needs to be end-to-end monitoring of and insight into IT and business services.

• **Delivering a poor end-user experience** – Employees and customers both increasingly expect more from IT and the business services they consume thanks to their often-superior consumer-world experiences.

The bottom line for organizations is that the siloed operations and the lack of end-to-end insight into performance, in particular, prevent the creation of a platform upon which to deliver superior service and to drive the required operational and service improvements.
Creating a platform for improvement

Organizations need to create an environment within and a single source of truth from which to successfully drive their improvement strategies across customer experience, governance, cost, etc. In particular, organizations need to be able to:

1. Access and use quality data across the spectrum of IT activities
2. Escape the traditional IT firefighting mode to instead spend more time on improvement and innovation
3. Automate processes to realize benefits across quality, speed, and cost (that will, in turn, facilitate improvement and innovation)
4. Make real-time decisions to drive further optimization and improvement

Will “fit-for-purpose technology” solve the challenge?

Most organizations of a certain size and age will have a number of IT management technology solutions. These will include an IT service management (ITSM) tool and a monitoring solution (or solutions) as a minimum. Then there will probably also be tools to support app dev and governance activities (as shown in graphic on the next page).
A simple view of the IT management toolset ecosystem

IT management tools might have been procured from multiple suppliers. Or even single suppliers that have created an all-encompassing IT management software ecosystem by acquiring and piecing together various tools created by other companies.

The promise of such an IT management software ecosystem was to deliver an enterprise-wide solution—with a centralized configuration management database (CMDB) and best practice workflow processes covering service management, operations, governance, app dev, and more. With the solution: integrated, “best-of-breed,” enterprise-wide, and supported by automated workflows.
The unfortunate reality of legacy IT management solutions

It sounds great but the reality, however, can be more like what’s shown in the graphic below.

The reality of legacy IT management solutions
An ecosystem of disparate data sources

Legacy IT management solutions can be an ecosystem of disparate data sources along with disparate processes and tools, where:

- Different IT environments use different management tools—further exacerbating the complexity of the IT management solution
- Too much time is spent on internal firefighting, just keeping the systems up and running
- There’s limited or no real-time visibility, making it nearly impossible to make informed decisions on how to improve (operations and services)
- Operational costs are suboptimal thanks to the complexity, duplication, and reliance on manual tasks
- End-user productivity is adversely affected by some or all the above

The management–time overhead of such legacy IT management solutions also limits your IT organization’s ability to better align with business needs and expectations to deliver consumer-like services. It also extends the barriers to digital transformation from the employed technology to your organization’s operational capacity to innovate and change. The bottom line is that such legacy IT solutions are a drain on valuable IT resources and a two-fold impediment to digital transformation.

As an example of what’s possible, Royal Bank of Scotland was managing 14,000 users through 13 different IT management tools and multiple CMDBs. Since transitioning to ServiceNow, they now use a consolidated solution and were able to decommission 10 legacy systems, saving them 46,000 people hours per month. Offering both financial and improvement–capacity benefits.

So, what should your organization do to improve?
Remove silos—starting with service management and operations management

The worlds of ITSM and IT operations management (ITOM) are commonly separate today (within the wider IT organization)—with ITSM personnel service-oriented and ITOM personnel infrastructure-oriented. At a minimum, there’s a language barrier. But the more-common reality is that there are other barriers that affect the combined effectiveness of both worlds, including:

• A different focus and understanding of what’s important
• Different objectives and performance metrics (and both sets might also be disconnected from higher-level business objectives)
• A level of operational and management disconnectedness that—at a minimum—delays the other party in delivering against business needs

None of this is good for either modern business operations nor facilitating digital transformation.

Organizations need to bring service management and operations management together, such that they can work together for better IT and business outcomes. This starts by understanding the existing impediments to unified operations before continuously improving to a new, connected way of working.
The ServiceNow 6-step approach to ITSM and ITOM working better together

Modern organizations seeking to leverage technology to optimize business outcomes—across quality, speed, and cost—require a seamless way of ensuring that service management and operations management work in unison.

The ServiceNow 6-step approach to this starts with:

- **Step 1** – The establishment of a CMDB.
- **Step 2** – Discovering infrastructure and business services to populate the CMDB with the data and information needed to support both ITSM and ITOM operations.

These first two steps are a platform upon which IT organizations can build an IT management solution that spans both ITSM and ITOM in a way that improves service quality, speeds up operations (for both ITSM and ITOM), reduces costs, offers greater insight into performance, and enhances the end-user experience.
6 steps to bringing ITSM and ITOM together

1. Establish centralized CMDB
2. Discover infrastructure & business services
3. Proactively identify service issues
4. Informed incident response
5. Automated remediation
6. Single view across IT services and operations
Step 1: Establishing a centralized CMDB (and the power of a single system of record)

A CMDB is a centralized database that stores information about your IT assets and their relationships with IT and business services. If your organization uses ITIL, then your organization’s CMDB will support the ITIL service asset and configuration management process/capability:

“The process responsible for ensuring that the assets required to deliver services are properly controlled, and that accurate and reliable information about those assets is available when and where it is needed.”

In undertaking Step 1, the creation of a CMDB—even if starting simply with network assets and a few services—offers your organization a strategic advantage through connecting many aspects of your business. And, with the CMDB in place, your organization will have a single source of truth across all of IT and be able to benefit from the power of a single system of record in not only optimizing ITSM and ITOM capabilities, but also supporting them both in working better together.

The benefits of a CMDB

The proven benefits of establishing a CMDB are:

• Better understanding the configuration and relationships of services and the IT assets used to deliver them
• The ability to map monitoring alerts to the services affected to better understand their impact
• Greater control over IT assets and supporting any corporate IT asset management activities related to compliance and cost optimization
• Quicker resolution of incidents and problems, and better meeting agreed service level targets
• Improved assessment, planning, and delivery of changes and releases
• A platform for the required IT and enterprise-level governance, risk, and compliance (GRC) activities
• Contributing data and insight for financial management and optimization activities
• Supporting improvement activities and technology/organizational change programs

All these benefits collectively help to make IT operations better, faster, and cheaper.

“When we implemented ServiceNow, we had no CMDB, we had no integrations, no governance, and we had separate systems that weren’t talking to each other. We were at an ITIL maturity level of 2 to 2.5. Now, most of our processes are at a 4 to 4.5,” said a director of IT production services at a pharmaceutical company who wished to remain anonymous.

To help your organization establish a CMDB, configuration management success tips are offered following Step 2.
Step 2: Discovering infrastructure and business services

The ServiceNow approach to Step 2 is a two-phased discovery process.

In the first phase, the CMDB is populated with discovered information about your organization’s IT estate. This starts with infrastructure discovery, also known as “horizontal discovery.” This discovery phase automatically seeks out the IT-asset makeup of your organization’s environment, identifying the infrastructure and recording it in the CMDB.

In today’s IT world, the infrastructure discovery needs to span both the physical and virtual assets in your datacenter as well as the different types of assets available from cloud service providers such as Amazon Web Services (AWS) and Microsoft Azure.

The second phase of discovery is a “vertical discovery,” where, in addition to horizontal discovery, ServiceNow’s service-aware approach also provides a top-down discovery method that maps your organization’s business services.

This living “service map” tracks the underlying infrastructure that the business services rely upon, giving your IT organization clarity in understanding how changes to, or issues with, infrastructure can impact a business service.
8 configuration management and CMDB tips

Configuration management and the CMDB has a reputation, within the ITSM industry, of being “too difficult.” However, this isn’t a view shared by ServiceNow customers with over 80% of them using their CMDB for some purpose.

The ease and level of your organization’s CMDB success is also dependent on the approach it takes. The following eight tips will help your organization to get its CMDB established right:

1. Start by understanding all the possible use cases for the CMDB and its data/information—these might not be obvious, so systematically question different IT teams and roles. Then prioritize these gathered needs against current resources and capabilities.

2. Fully understand the desired end state. Then ensure that all CMDB efforts, including discovery, are pointed firmly at this achieving this end state.

3. Focus on the quality of data over the quantity—seek out the right data to deliver against the highlighted and prioritized business needs.

4. Ensure that the CMDB is allocated sufficient resources to succeed, both in set up and on an on-going basis. Automation will help significantly here.
5. If obtaining the required backing and resources to establish your CMDB is difficult, start small—focusing on known business issues and opportunities—to demonstrate the value of the collected data/information and to support further resource investment.

6. Even if resources aren’t limited, be very focused on the initial scope. Get that right first, then move on to other areas.

7. Leverage automation as much as possible—from discovery through accurately enacting and reflecting changes.

8. Don’t neglect people change (and the need for organizational change management)—while technology will hopefully make people’s lives easier it’s also a change to the existing ways of working, which will most likely encounter resistance.
Next steps

The creation and population of a CMDB allows operations management and service management staff to work together better on incident and event management, resulting in fewer and less-damaging IT issues.

Also, the CMDB provides a platform for a wider spectrum of ITSM and ITOM capabilities that contribute to better business outcomes—for example:

- The ability to map monitoring alerts to the services affected to better understand their impact
- Improved compliance and cost-optimization activities
- Enhanced change and release assessment, planning, and delivery

Links to related topics

A 6-step approach for ITSM and ITOM to work better together (Steps 3, 4, and 5)
A 6-step approach for ITSM and ITOM to work better together (Step 6)
More on the ServiceNow CMDB
More on ServiceNow Discovery
More on ServiceNow Service Mapping
A 6-step approach for ITSM and ITOM to work better together

About ServiceNow
ServiceNow was started in 2004 with the belief that getting simple stuff done at work can be easy, and getting complex multi-step tasks completed can be painless. From the beginning, ServiceNow envisioned a world where anyone could create powerful workflows to get enterprise work done. Today, ServiceNow is the cloud-based platform that simplifies the way we work. ServiceNow software automates, predicts, digitizes, and optimizes business processes and tasks, across IT, customer service, security, human resources, and more, to create a better experience for your employees and customers while transforming your enterprise. ServiceNow is how work gets done.