



IT & DATA MANAGEMENT RESEARCH,  
INDUSTRY ANALYSIS & CONSULTING

# IT ServiceOps: innovation at business speed and scale

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Prepared for ServiceNow  
By Valerie O'Connell

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Recent EMA research examined the interaction between ITSM and ITOps groups as reported by 400+ IT leaders in North America, EMEA, and APAC.

A significant 17% of respondents said, “There have been significant organizational changes in the past two years moving the two functions closer organizationally.”

This group consistently ranked the highest in all measures of achievement and advancement. They reached the highest level of automation and implementation of AI/ML, as well as the benefits that follow for both IT and the business. Although ServiceOps doesn’t require organizational change, new capabilities and ways of interacting tend to foster new ways of working.

This eBook takes a deeper look at these changes.

# A game-changer by any other name...

The name doesn't matter.  
The concept is simple. The  
results are game-changing.

ServiceOps is:

- IT service and IT operations unified and enabled to reach specific business goals
- Use of data, AI, and automation to drive IT operational and service excellence
- A way to increase innovation at speed and scale with no compromise to governance
- Platform-enabled end-end visibility, action, and optimization
- Collaboration and workflows that are efficient and cost-effective
- Possible and practical
- Happening now

ServiceOps is not a product you can buy. It's not even a methodology you can promote. It is a concept that captures the practical result of technology applied to the delivery and governance of IT services at the speed, scale, and volume of business innovation. It is AI-assisted automation for collaboration of IT service and IT operations.

Change and complexity—constant field marks of IT—now far exceed humanity's ability to comprehend, much less control at a time when comprehension and control are essential. IT doesn't just support business; in many cases, it is the business. The answer to this crisis of complexity and criticality is increasingly found in the one-two punch of AI/ML and automation.

- IT service management (ITSM) organizations adopt AI and automation to dramatically increase the number and types of services offered and cut agent involvement by using virtual agents, smart service catalogs, automated DevOps changes, and AI-assisted ticket triage, routing, and recommendations.
- IT operations (ITOps) teams employ AI/automation for end-end visibility, anomaly detection and understanding, correlation, noise suppression, and incident prediction and prevention across data centers, cloud, and workers working from anywhere. The combination slashes outages and the time it takes to remediate issues, boosting performance and cutting costs along the way.

Use of a common platform with a single data model lets IT service and ITOps act as flip sides of the same business-centric coin—collaborating, but with each side retaining its distinctive responsibilities and roles. Both sides do better work faster and more efficiently with a ServiceOps view of a changing world. This eBook highlights industry trends and research findings that can help you capitalize on ServiceOps advances that are most likely already underway in your organization in one form or another.

# ServiceOps – why now?

ServiceOps is a natural response to a perfect storm of global forces and factors.

**Digital transformation increases complexity of IT and business reliance on high-performing services:**

Digital transformation was already well underway before the global events of the past few years launched it from the category of strategic planning to immediate critical need. Plans were fast-tracked. Cloud migrations and technology adoption accelerated as modernization initiatives swept the enterprise. Although these initiatives serve business innovation and flexibility, they greatly increase business reliance on IT, complexity, and vulnerability to outages or any performance misstep.

**Work from anywhere puts a spotlight on user experience:**

The curveball of work from home transitioned to a hybrid model that is here to stay. Although some organizations are flinging open their office doors, most are offering work models that combine office time with home office for a permanent state of flexibility. The digital-first world of users anywhere in the world spotlights the importance of user experience, whether employee or customer. User experience is now a top C-level priority demanding excellence in both IT operations and service.

**IT is evolving from business enabler to strategic business partner:**

IT has traditionally struggled to align with the business and gain a seat at the board level. Digital transformation and business realities actively elevate IT's role and position. However, according to a recent EMA poll of 400+ IT leaders, only 17% of participants see IT as strategic in their organization, fully an equal partner with the business. An encouraging 35% state that the role of IT is evolving from operational to strategic, elevated by digital transformation. This trend is backed by funding, with 85% of research participants reporting IT budget increases, many substantial, with only 3% facing a decrease.

Done right, IT ServiceOps balances the need for speed of innovation, business flexibility, and excellence in IT service with demands for security, governance, and risk reduction, all while maximizing IT efficiency and cutting costs. IT service quality improves and employee job satisfaction gets a boost when IT service and operations collaborate on a platform of AI-driven automation.

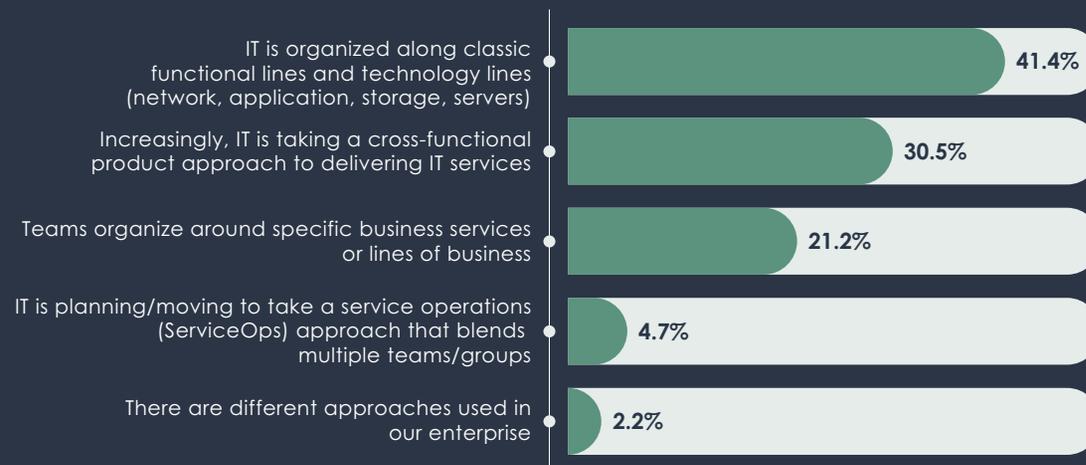
# IT service health and ServiceOps

## IT organizations are trending cross-functional and outcome-focused

ServiceOps doesn't require conformity to a specific operational model, but it does tend to foster organizational changes to take full advantage of its benefits. Recent EMA global research found that although many IT organizations run along classic lines of functional and technology categories, such as network, applications, and servers, others organize around business services and lines of business.

What is most interesting is that 31% of this global panel see active transition to a cross-functional product approach to delivering IT services. It is likely that ServiceOps capabilities and activities are already delivering value in many of the organizations that have yet to formally name it as a priority or initiative.

### Although oversimplified, how would you describe your IT's organizational principle?



## IT service defined and delivered

Without exception, high-quality IT service is a top business priority across industries in companies of all sizes. However, organizations have differing definitions of what constitutes an IT service. Recent EMA research asked, **“Generally speaking, how does your organization define an IT service?”**

- By specific IT technology area (database, servers, network) **35%**
- All infrastructure and software required to deliver a business function **34%**
- By application **5%**
- Business function supported **9%**
- By product teams responsible for performance **8%**
- Differing definitions depending on group or who you ask **9%**

Whatever the definition, delivery of high-quality IT service directly involves groups and teams across the enterprise, most notably ITOps, DevOps, cloud, infrastructure, ITSM, end-user management, engineering, NPM, APM, ITAM, CMDB, SecOps, and SRE, to name the most mentioned contributors.

However, when there is a degradation in service availability or performance, ITOps and ITSM take center stage. Service teams get swamped with complaints in a flurry of tickets and the buck stops at ITOps to find and fix the problem. In view of the complexity and urgency of the modern landscape, ITOps increasingly leads a multifunction group that is charged with rooting out culprits and causes. With the help of AI and automation, the trend is to predict and intercept an outage before it can happen. This is good news for service teams as well because users don't complain about problems that don't happen.

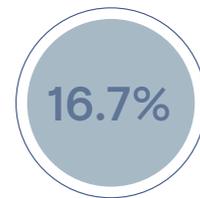
# ITSM and ITOps interaction

## IT ServiceOps starts wherever you are now

Recent EMA research examined the interaction between ITSM and ITOps groups as reported by 400+ IT leaders in North America, EMEA, and APAC. The first question asked was **“Organizationally, what statement best describes ITSM and ITOps?”** There was an almost exact split between the top two responses:



Analysis showed that differences in reporting structures have little impact on how each group approaches major issues. However, there was one group that differed from the pack significantly.



There have been significant organizational changes in the past two years moving the two functions closer organizationally.

This group consistently ranked the highest in all measures of achievement and advancement. They reached the highest level of automation and implementation of AI/ML, as well as the benefits that follow for both IT and the business.

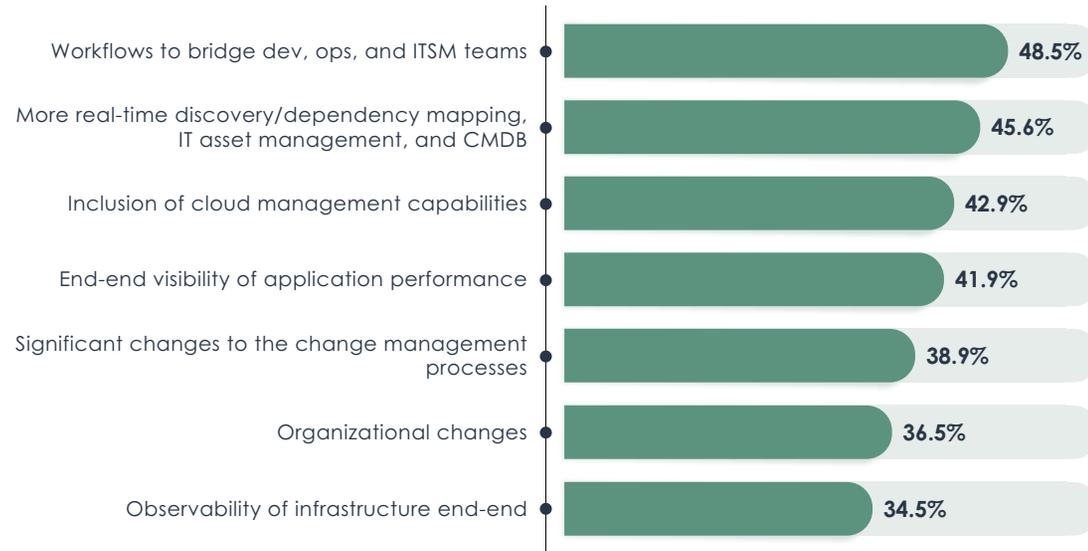
Although ServiceOps doesn't require organizational change, new capabilities and ways of interacting tend to foster new ways of working. DevOps offers a good example.



## DevOps as a trailblazer for IT ServiceOps

DevOps is an invention of necessity. ITSM enforced rigid change management processes that shackled the ability of engineering to bring innovation to market. Ironically, processes designed to safeguard business from risk instead strangled it. In an explosion of success, DevOps became mainstream in the IT version of overnight. It made sense. It was practical. Best of all, it returned results at a high rate. It also required changes to processes, technologies, and ultimately organizations as represented when EMA asked:

**What changes does DevOps require or result in? Select the top two.**



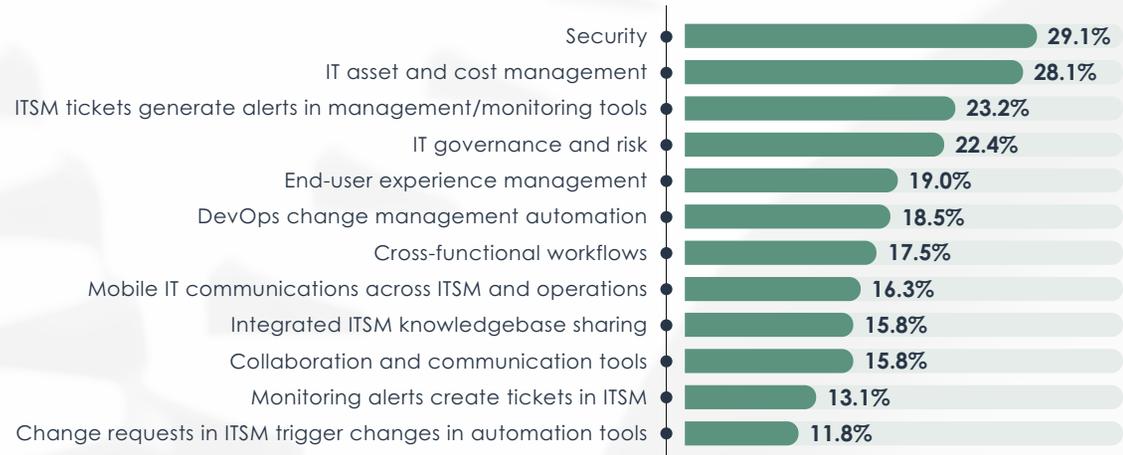
These DevOps-inspired changes largely rely on the combination of automation and AI/ML. Together, they smooth the way for increased interaction between ITSM and ITOps—to the benefit of all involved. In this arrangement, central IT generally provides guidance on governance, process, and tools to decentralized DevOps teams each running at their own speed and charter.

## AI/automation-assisted ServiceOps interaction

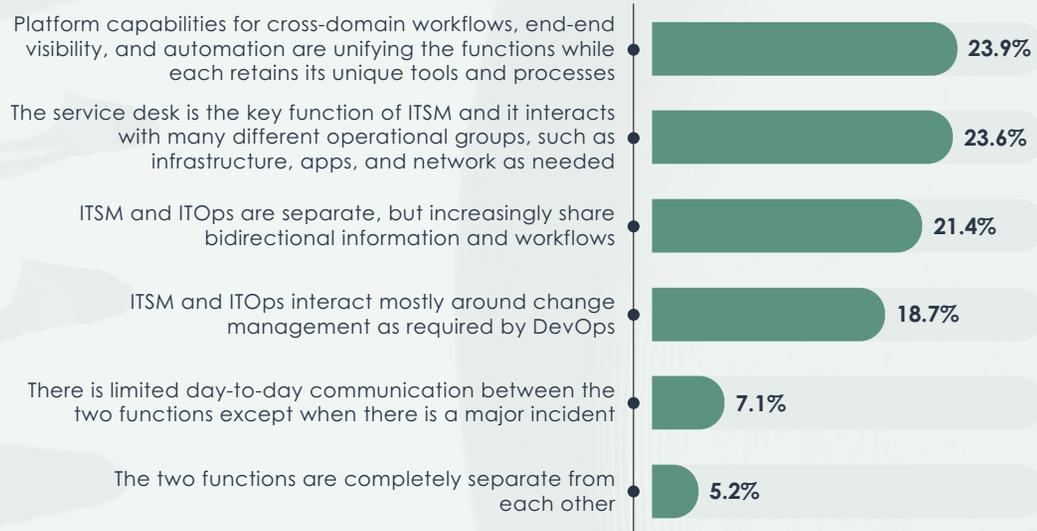
The combination of AI/ML and automation expands the horizon of ways IT service and IT operations can work together. Offered productive avenues of cooperation that are easy to adopt, the two groups coalesce around shared interests, each from its own vantage point. Points of collaboration increase with experience, exposure, and success, which in turn encourage ServiceOps advances.

Asked to characterize the interaction between ITSM and ITOps, the responses ranged from only “when required” to unified functionality. Complete separation of the two groups is the exception, and one that is rapidly diminishing as bidirectional information and workflows become the norm. ServiceOps is a natural progression of shared interests and technical enablement.

### How do IT operations and ITSM collaborate using AI/ML and automation? Select the top two.



### Which statement best describes your enterprise's approach to IT service management (ITSM) and IT operations (ITOps) execution?



# ServiceOps' platform for success

## Platform vs. best-of-breed is really no contest when it comes to ServiceOps

The platform approach is fundamental to ServiceOps for many reasons:

- A common data model is necessary to integrate diverse tools and systems—a preliminary to any AI or automation initiative at scale.
- Serious advances in cross-domain collaboration, processes, and workflows slam to a halt when confronted with siloed barriers.
- A service-level approach to IT requires end-end visibility and a common basis for action.
- Platforms allow unified views and actions across multiple functions while allowing each group to retain use of their specialized tools and processes.
- A platform approach gives central IT the ability to set standards and governance guardrails without impeding the speed, independence, and innovation of decentralized teams.

It was no surprise then that when asked, **“Which statement best characterizes your IT organization’s approach to cross-domain workflows, processes, and initiatives?”** the majority of 400+ research participants identified use of one or more platforms specifically to enable end-end visibility and actions across the enterprise. Of the 35% who identified current use of best-of-breed solutions, roughly half clarified their position by adding, “We use best-of-breed solutions, but they hamper cross-domain efforts.” In fact, in addition to the ongoing battle to consolidate tools, many organizations are now consolidating platforms.

## A platform addresses some of the top challenges to high-quality IT service

High-quality IT service is pretty much taken for granted today. It is critical by any measure. It's also not easily achieved. Asked to rank the top three challenges to delivering high-quality IT service, EMA's research panel of global IT leaders identified stumbling blocks that AI and automation directly address when implemented on a unifying platform. The top three challenges were:

**Cloud – visibility or separate cloud operations:** Cloud consistently ranks among the highest contributors to business innovation and as a top challenge to IT service quality. Both IT service and operations are handicapped when cloud plays a big but largely invisible part in the performance and availability of IT services. Yet, the management requirements for cloud operations are distinct from other domains. Recruiting cloud operations into a platform allows both specialized handling and a unified enterprise view to coexist.

**Shortage of talent and/or lack of automation to take its place:** Technical talent is always at a premium. With the proliferation of new technologies coinciding with the Great Resignation worldwide, IT talent is at a critical shortage. IT automation can lift the burden of routine work, freeing this valuable resource for work that is more rewarding to both the professional and the business. However, the talent that is needed to put that automation in place is in short supply. Platforms make automation feasible on an enterprise scale and frequently offer low code/no code capabilities for putting high functionality within reach of a wider, less-skilled audience.

**Gaps in end-end visibility for a unified view of all service elements:** The gap challenge ranges from cloud to legacy, with siloed systems and tools in between. Dependency mapping and IT asset information are also frequently mentioned in the visibility gap category. The common data model a platform provides is the backbone of end-to-end visibility and automated actions. It is step one on the road to IT ServiceOps.

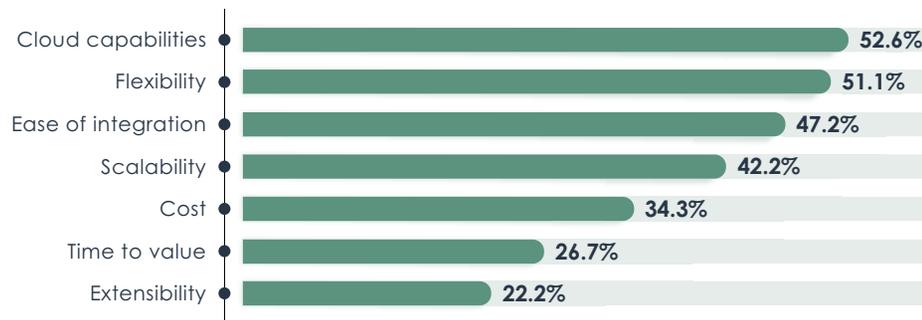


## Platform attributes and achievements

Platform use is strategic in almost all organizations, with end-end visibility, workflows, processes, and automation as high-priority objectives. The platform initiative is frequently driven from a centralized IT body made up of business and technical representatives of all major stakeholders. This unified effort frees more independent teams to work to their own objectives at their own speeds.

The strategic nature of a platform initiative requires that the platform itself work flexibly and relatively easily across the complete complex extent of its enterprise reach. The top-valued attributes of a management platform reflect those requirements.

### Which factors are the most important in an automation or management platform?



The success rate of platforms is high. Practitioners almost invariably report gains in efficiency, effectiveness, speed, and quality of IT service. Those gains come from the AI-driven automation that platforms facilitate and increase over time with implementation maturity. In addition to reporting success, EMA asked participants to rate the cost-effectiveness of platform use.

In terms of cost, what value has your platform investment returned?

- **32%** High value – the savings and benefits are at least double the cost
- **59%** Good value – it more than paid for itself, probably returning in excess of 20%
- **8%** Breakeven – it paid for itself and then some

The benefits go beyond cost savings. Asked specifically about the impact of an AIOps platform on the relationship between IT and the rest of the business, almost all respondents were emphatically positive. Offered a range of positive responses (and negative ones that no one chose), 16% of respondents chose the superlative “transformational” to describe the impact of AIOps on the IT-business relationship. Transformation doesn’t happen in best-of-breed patchworks; it takes the enterprise flex of a platform.

On a bad day, a good platform will at least pay for itself. More often, it returns value in excess of cost. In all cases, it sets the stage for advances in AI, automation, and ServiceOps.

# The near future of ITSM and ITOps

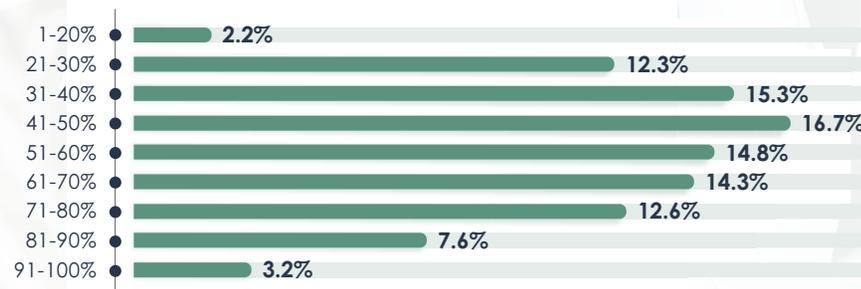
## ITSM is automating as it grows (and vice versa)

Almost all enterprises project ITSM growth in importance, reach, functionality, and the budget to accompany that growth. Recent EMA research showed a majority split between ITSM growing substantially in the next three years (42%) and growing somewhat (44%). Only 12% of participants anticipate ITSM staying the same in the coming years, while a futuristic few (2%) anticipate becoming a wholly automated function.

Organizations that are most advanced in digital transformation, automation, and the convergence of ITSM/ITOps identify substantial growth of ITSM at a much higher rate than those lagging behind. That growth is because convergence increases the importance of ITSM as automation and cross-domain workflows extend their reach.

When it comes to platform use, the majority of enterprises opt to standardize on one ITSM platform, although a third stop short of that goal, stalled at 2-5 ITSM platforms. As ServiceOps' AI and automation coverage matures, increased ITSM auto-resolution rises at a rapid rate.

**What percentage of help desk requests and problem resolution do you envision being auto-resolved or transitioned to end-user self-service remediation within two years?**



One way to look at this chart is to see projected ITSM automation as ambitious bordering on aggressive. Looked at another way, the wide range of projected automation levels is a de facto competitive gap. The automation haves will outperform the automation have-nots significantly and consistently, widening the gap over time.

Currently, the top-rated automated capabilities and services offered by ITSM organizations in ranked order are:

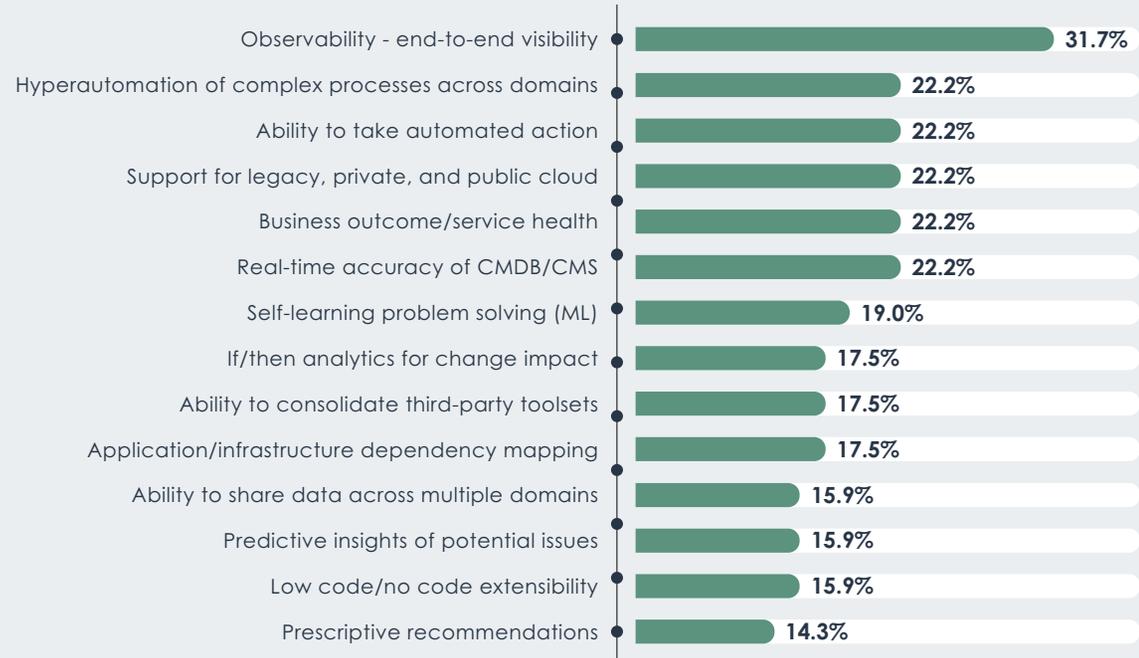
- Autonomous AI/ML-enabled service: information, requests, and incidents/problems
- Problem resolution suggestions and automated actions
- Self-service portal
- Chatbots and virtual agents
- Dashboards tailored to interests of specific audiences
- Automated ticket triage and routing
- Service for non-IT groups like HR (ESM)
- Automated cross-departmental workflows
- Service catalog
- Change management

## ITOps gets smarter and automated with AIOps

The sheer complexity of today’s IT, combined with the volume and velocity of change, dwarf human capacity to cope. AI and automation put management back in reach, most frequently with AIOps solutions at a high level of success.

Almost all enterprises have AIOps initiatives in place. Although the term “AIOps” originally meant the use of AI/ML applied to IT operations, in practical use it has come to imply automation as well. After all, great intelligence is only valuable when it is used to do something useful. In the case of modern AIOps platforms, the combination of AI and automation working together head the list of capabilities and deliver outstanding benefits to both IT and the business.

### Which capabilities are most important in your AIOps implementation? Choose three.



## IT and business benefits that AIOps predictably delivers

### IT benefits of AIOps

- » DevOps effectiveness
- » Cloud operations effectiveness and cost
- » Operational efficiency
- » Improved SLA performance
- » SecOps effectiveness
- » Reduced number of incidents
- » Cut the time to resolve issues
- » Cut the time for incident alert
- » Cross-team collaboration
- » Decrease in performance issues or outages

### Business benefits of AIOps

- » Improved IT/business alignment
- » Better quality of IT and business service
- » Business innovation
- » Cross-departmental collaboration
- » Improved end-user/customer experience
- » Improved business process efficiency
- » Accelerated digital transformation
- » Improved business revenue
- » Faster onboarding of new customers
- » Enforcement of best practices and standards

When asked to pare the list of management solution “must-haves” down to essentials, a global panel of 400+ IT leaders kept it clear and simple:

- **#1 by far is cloud management, followed by**
- process automation and optimization
- automated data collection/updates
- incident/outage prediction and prevention

## Bringing it all together

ServiceOps is most likely already taking shape in some form in any organization where IT AI/ML and automation are in widespread use. Why? Because smart people are quick to take advantage of capabilities that let them do their jobs easier and better. In the case of IT service and IT operations professionals, their shared interests are both enabled and sharpened in a ServiceOps environment.

The basic ingredients for successful ServiceOps are:

1. A shared business context – a basis for working toward a common goal
2. A platform with a single data model – a vehicle for end-end visibility, action, and collaboration
3. AI-assisted automation – a way to comprehend IT's complexity, diversity, change, and urgency with efficiency and effectiveness that cuts costs, improves service, and boosts employee morale

Once the basics are in place, organizations are well-positioned to continually improve service operations quality, governance, and security, as well as processes and workforce deployment.

As with any IT initiative, start where you are. Sweeping organizational changes are not required to establish and facilitate a ServiceOps approach to IT service execution and excellence. However, be prepared for change.

Organizations tend to reflect their strengths and mandates. As technologies shape the day-to-day with new capabilities, goals, and achievements, organizational structures often reform in order to leverage the improvements. After all, enterprise-wide visibility and automation require cooperation at both systems and organizational levels.

## EMA perspective

ServiceOps, by whatever name, will soon be the prevailing IT operational model. It is the logical product of common sense and technology combined for practical purposes. Both IT service and IT operations have to be at the top of their respective games. Hitting that mark calls for platform-enabled, AI-assisted automation that flexibly connects people and machines across the enterprise.

Security alone could drive ServiceOps (and it is not alone). It is a critical issue for all aspects of the business, one that cannot be addressed in a forest of best-of-breed siloes. Iterations of DevSecOps will find their way into the ServiceOps paradigm with increasing regularity and effectiveness. Cloud is already being actively recruited.

ServiceOps is early. There is time to shape its form and direction. It makes sense to get ahead of the game now by taking a strategic view of the opportunity.

IT leaders can actively clear the path to ServiceOps by taking a deliberate view of both the commonalities and distinct requirements of IT service and IT operations. For example, accurate discovery and mapping of IT service dependencies is critical to the work of both groups, although each will do something different with that understanding. When they work from the same information sets on a common platform, everyone does better and the enterprise as a whole enjoys higher IT service quality. The additional bonus is cost savings and efficiencies.

ServiceOps is possible and practical, and it's happening now.

## A word from the ServiceNow Technology Service Operations team

### The ServiceNow Solution

ServiceNow automates and optimizes technology services and operations with our IT Service Management and IT Operations Management products built on the cloud-based Now Platform.

Standardizing on ServiceNow's single platform for Service Operations dramatically reduces operational friction, increases the use of automation, reduces response times, and gets incident alerts to the right team the first time.

ServiceNow's Service Operations approach ensures organizations can develop a shared set of guiding principles and rules to promote trust and confidence in the data and automation provided by the platform.

These solutions have thousands of customers who have returned millions to their bottom line, improved agent productivity by 30% on average, and have increased their innovation speed. ServiceNow allows customers to expand services while reducing costs, deliver high-quality employee experiences, and drive operational resilience, all with significant efficiency gains at reduced risk.

#### Expand technology services while reducing costs

ServiceNow provides services and operations teams the ability to scale and improve the services on a single cloud platform with market-leading baseline IT processes like incident, problem, change, and CMDB tied closely with IT operations capabilities like discovery and business service definitions and mapping.

#### Deliver extraordinary employee experiences, resiliency, and productivity

ServiceNow delivers a unified catalog of services from which employees can easily request services to get help. ServiceNow's AI-based automation helps services teams fulfill these requests efficiently and keeps services performing optimally while reducing requests or incidents at their source. When problems occur, teams can prioritize and troubleshoot them much faster.

#### Drive technology best practices with optimized, efficient processes

ServiceNow delivers unique vendor, digital portfolio, cloud governance, workforce, and process management best practices functions to reduce risk and improve efficiencies across many facets of the organization.



### About Enterprise Management Associates, Inc.

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