The Evolution of Service Management

The Journey to Invisible Service Management △

MOZ△IC

Introduction

Many IT organisations find themselves at a crossroads. The digital landscape is expanding at an unprecedented rate, and with it comes a cacophony of frameworks, vocabulary and the continuing shadow of security threats. Amidst this complexity, there's a palpable shift in our customer's knowledge. They are armed with a far deeper understanding of technology than ever before. And with knowledge comes an expectation, which in turn changes the way we must act and respond.

Yet, amidst these challenges lies an opportunity. An opportunity to redefine Service Management, harness the power of AI, and navigate the very necessary balance between rapid digital delivery and uncompromising security. Drawing from our extensive experience across diverse organisations, we've identified patterns, challenges, and most importantly, solutions. Solutions that not only address the immediate pain points but chart a course for the future.

This white paper describes three key areas of focus to ensure Service Management remains relevant:

- The need for a simple, unified, language to describe how work flows across the organisation

- Codifying the process, policies and other guiderails using orchestration tooling to measure these flows and continually remove friction and enabling AI techniques within our operations

- Reshaping our User engagements to simplify all interactions

▶ FROM FRAGMENTED TO UNIFIED: MAKING SERVICE MANAGEMENT LANGUAGE ACCESSIBLE ACROSS THE ORGANISATION

In navigating the complex landscape of IT operating models, we need to simplify our language. The use of numerous frameworks and regulations such as IT4IT, ITIL, COBIT, and DORA, while each important and valuable, often leads to disjointed processes and inefficiencies. To address this, Mozaic has developed the Unified Model, synthesising these varied frameworks into a cohesive, flexible structure.

At the heart of the Unified Model lie the IT4IT Value Streams: Explore, Integrate, Release, Deploy, Consume, Operate, and Evaluate. These streams form the essential routes of the model, facilitating the seamless integration of practices from different frameworks. For example, the 'Operate' stream encompasses the Incident and Problem Management practices, supported by foundational practices such as Configuration Management, which underpin the entire framework

Beyond structural integration, the Unified Model is dynamic and evolutionary, adapting to an organisation's changing needs. Its flexibility avoids the pitfalls of rigidity seen in traditional frameworks. More than a set of rules, it acts as a guide, identifying areas of resistance, promoting proactive strategies, and advocating a data-centric methodology. Its value-focused orientation ensures that every action and decision is aligned with the organization's broader objectives.
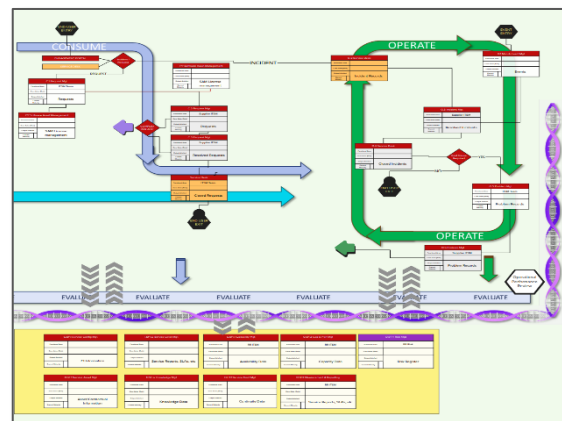
The practical application of the Unified Model is multifaceted. It deconstructs the IT operating model into clear, logical steps, highlighting the interplay between different practices and their processes. It highlights the importance of comprehensive data and effective tooling, clearly articulating the foundations of the supporting practices underpinning the model as a whole and providing common data throughout. The model enables multiple perspectives: a broad view of the main value stream components through to detailed inspections of individual processes within a practice, for example: examining the Software Asset Management process (a process within the IT Asset Management practice) and its interactions with other model components. These multiple perspectives allow for a comprehensive understanding of information flow across the Operating model, identifying potential bottlenecks, discrepancies in expected outputs, and focal points for transformation.

Despite its advantages, challenges remain inherent in any transformational journey. Established organisational cultures and concurrent transformations can cause resistance. However, the adaptability of the Unified Model aids in overcoming these challenges. By emphasising early successes and making dependencies visible, it generates momentum and bridges divides, steering transformation towards success.

Client insight

'As the company progresses towards a cloud/hybrid setup and grants self-organising teams comprehensive responsibility over the application and infrastructure lifecycle, it confronts changes in practices, frameworks, and organisational dynamics. For the ITSM function to stay pertinent and aligned with its foundational value, a unified, adaptable communication method becomes imperative. Simplifying this intricate landscape is pivotal for successful transformation. Varied viewpoints from DevOps, Agile, Architecture, and regulatory entities intensify the challenge, highlighting the need for a consolidated strategy to dissolve obstacles and foster synergistic interactions.'
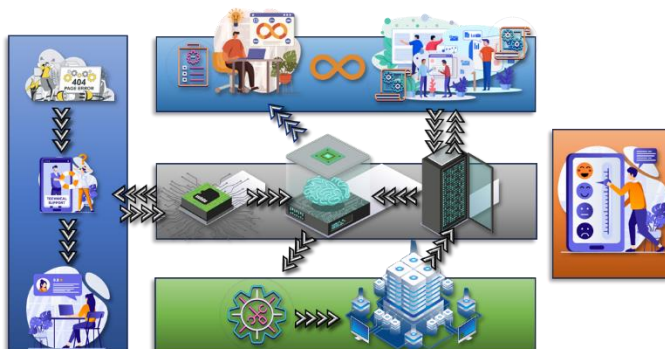
▶ FROM VISIBLE TO INVISIBLE: BY EVOLVING TO A FRICTIONLESS ENVIRONMENT AND MAKING USE OF AI WITHIN SERVICE MANAGEMENT

CODIFYING THE FLOW OF WORK

Within the different aspects of Service Management, 'friction' represents the stumbling blocks that hinder the seamless flow of information and work. Imagine a service desk operator painstakingly rekeying data into multiple tools, each tailored to a unique supplier. This not only slows down processes but also introduces potential errors, leading to dissatisfaction and mistrust. Or imagine when a problem resolution is being worked through a DevOps pipeline, where progress is independently tracked through the ITSM tooling and DevOps tools to ensure the resolution is effective. This is very often a manual review requiring manual updates across the tooling before progress can be made. The essence of a frictionless environment is to eliminate such bottlenecks, ensuring information glides seamlessly, fostering faster responses, efficient deliveries, demonstrable compliance to guide-rails and above all, contented and informed stakeholders.

The need for a frictionless approach is evident. In many of our customer engagements, we've witnessed scenarios where high friction leads to miscommunication, akin to a game of Chinese whispers. Outdated data stories, mistrusted management information, and human errors are just the tip of the iceberg.

The solution? Strategic tooling. Platforms like ServiceNow offer vast capabilities, but the key lies in utilising them effectively to eliminate points of friction. By centralising master data and employing templates and processes to keep it updated, we pave the way for data-led decision-making. Service Modelling and Mapping emerge as pivotal concepts here. By understanding the web of technology and how services interconnect, we gain clarity on risks, impacts, and measurement opportunities.

The tangible benefits of this approach are manyfold. Release times can be significantly reduced, with the potential to remove upwards of 80% of the time taken and direct cost savings arise from accelerated responses and resolutions, reduced human intervention, and enhanced service availability; all of which can amount to circa 20% of actual effort being saved. Intangibly, we witness a paradigm shift: from reactive firefighting to proactive value delivery.

As we reduce friction, new areas of improvement come into focus, which in turn leads to more improvement, and the cycle of continual improvement can begin.

Client insights into Friction points, and approaches to remove them

'IT Service Management stands at a pivotal juncture. Gone are the times when changes and incidents thrived in static environments and dated technologies. The traditional "command and control" methodology has become outdated. Present-day ITSM needs to evolve by embracing contemporary practices and harnessing their potential. It should act as a catalyst for organisational advancement. The way forward? Embrace automation and integration.

Transitioning DevOps into automated testing, validation, and change approvals links the development mechanisms seamlessly. The advancements in auto-collection of data, like service discovery and mapping, have significantly evolved, making configuration management data pivotal for a myriad of IT functions, from understanding the total cost of ownership to navigating intricate technologies and managing cyber threats.

However, complete automation is still not within our grasp. A robust Data Management framework is essential, both for validation and for managing undiscoverable elements. While the prospects of Automation and AI are exciting, there remain activities where the human touch is indispensable. A well-defined strategy encompassing data, technology, and stakeholder communication is crucial. Gaining the support of top-tier executives and formulating an inclusive operating model that synergizes all these facets will be instrumental in driving IT modernisation and digitisation.'

BUILDING AI INTO THE FLOW OF WORK

The integration of Artificial Intelligence (AI) into Service Management has been inevitable. As AI capabilities have matured, the vast reservoirs of data within IT systems present a tantalizing opportunity: harnessing AI's predictive prowess to pre-emptively address anomalies.

AI Ops, or Artificial Intelligence for applies AI, machine learning, and advanced analytics to IT operational data. This equips IT professionals with actionable insights, enabling rapid decision-making and swift service restoration.

However, AI Ops isn't just about rapid response. It's about foresight. Consider a scenario where disk space alerts signal potential overload for a critical service. Instead of merely alerting, AI Ops can proactively allocate additional capacity, averting a potential crisis. Then, it channels this information to support teams, prompting a deeper dive into the root cause. This shift—from merely reacting to incidents to proactively addressing them before they escalate—is revolutionary.

However, the path to AI Ops isn't without its own hurdles. The foundation of effective AI is clean, structured data. Many organisations, having grown organically, grapple with fragmented and disorganised data. The Unified Model underscores the importance of robust data structures, emphasising the need for accurate configuration information and service models. Only with this solid foundation can AI Ops truly shine. The use of codified, orchestrated, workflows supports the creation and ongoing management of this consistent data.

As we look forward, the trajectory of AI Ops is clear: it's set to become even more potent. Continuous learning and improvement will enhance its speed and accuracy. The rise of Large Language Models, enabling natural language interactions, will further embed AI Ops into the fabric of organisations, making Service Management truly invisible.

This seamless integration of AI Ops dovetails perfectly with our vision of a frictionless IT environment. By creating precise information and enabling this to be delivered to the right stakeholders, in a language they comprehend, without cumbersome intermediaries, we're one step closer to that vision.

Client plan for integration of AI into their Service Management models.

Our organisation is keenly exploring AI's potential, especially within the sphere of ITSM. We are particularly enthusiastic about harnessing its abilities for summarisation, automated ticket allocation, and coding. The possibilities are vast and promising. However, being a financial institution, data security, and privacy are paramount. We recognise that AI's effectiveness hinges on the quality of our foundational data, given it will utilise our knowledge base and information. Hence, we must strike a balance between total data security, information accuracy, maintaining data quality, and rigorously reviewing results to prevent AI hallucinations.

▶ FROM SERVICE TO USER: THE USER-CENTRIC EVOLUTION

As Service Management evolves to meet the needs of the threads of the unified model and language, frictionless operations, and AI Ops intertwine providing a user-centric landscape. This isn't just about streamlining processes or integrating AI; it's about reshaping the very essence of IT interactions to prioritise the user experience.

Imagine a user reaching out for support. Before they even articulate their issue, AI-driven chatbots gather essential information, pre-populating fields and expediting the process. Should they connect with a call centre, operators are already equipped with all necessary details, ensuring seamless communication. AI further empowers users, guiding them through complex IT environments and services with natural language prompts, leading them towards self-resolution.

The user-centricity goes beyond IT. The evolution allows us to deliver a single common route for all the User's needs. The same experience the user had with the above scenario can be played out regardless of the nature of the request. They need to raise an. HR related requests, go to the same place, and receive the same experience, what about a property related query, or a process related question, all through the same route. This transformative user experience is only made possible through the synergy between the unified model, AI capabilities, and frictionless information flow.

Organisations are recognising the imperative of this shift. While the focus was once on backend operations, it is now truly on the frontline: service desks, be they AI-driven portals or human-operated call centres. Those who don't evolve, who don't prioritise these pivotal user interaction points, risk obsolescence.

The transformation may seem daunting at first, with the need for investment in AI tools, meticulous data design, and organisational shifts in line with the Unified Model, but it needn't be. It can be broken down into small steps. The beauty lies in the journey. Organisations needn't overhaul overnight. A phased, logical maturation process can yield incremental yet profound improvements.

The future is clear. While nascent IT firms are already embedding these principles, legacy organisations are awakening to the impending paradigm shift. As the principles of frictionless operations and AI Ops further evolve, Service Management's role will metamorphose. No longer the overt orchestrator, it will become the invisible maestro, with its functions focusing on data custodianship, process refinement, and continual improvement, all culminating in a transparent, seamless user experience.

Where will the client end up if they begin this journey?

'Our organisation is channelling investments towards shaping the future of ITSM with a focus on a user-centred experience, aiming to position IT as an unrivalled service provider and trusted partner. Our goal is to streamline user interactions, proactively address potential issues, and anticipate user demands. We understand that offering a swift, simple, and personalised user experience is essential to modernise ITSM. We are committed to delivering a seamless service in ITSM, one that's future-ready and harnesses the most relevant technologies and operational models. Our approach is guided by a discerning vision, prioritising genuine needs over fleeting trends.

This endeavour is a journey that mandates backing from senior leadership and the institution's change management. While technology plays a significant role, the human and procedural elements are equally crucial. Striking harmony between these three components is vital for paving the way to a smoother, more efficient future.'

▶ CONCLUSION; CHARTING THE EVOLUTIONARY PATH OF SERVICE MANAGEMENT

The future of Service Management is not just an abstract concept—it's a tangible, actionable roadmap. Through this white paper, we've journeyed across several evolutionary activities: from the harmonising power of the unified model to the efficiency-driven realm of frictionless operations, the proactive capabilities of AI Ops, and finally, the user-centric evolution that places users at the heart of all interactions.

Yet, these aren't isolated transformations. Their true potential is unlocked when they synergise, creating a Service Management ecosystem that's not only efficient but also intuitive and user centric. This synergy is the linchpin, ensuring that as one facet evolves, it reinforces and elevates the others.

The call to action is clear: Engage, reflect, challenge, and collaborate. The future of Service Management isn't a solitary endeavour—it's a collective journey. And every voice, every perspective, enriches this journey.

Looking ahead, the horizon is promising. Organisations that embrace these evolutions stand to redefine their operational paradigms, delivering unparalleled value and user satisfaction.

Transformation is challenging. Yet, many trailblazers are already paving the way, showcasing the tangible benefits of this evolutionary path.

In closing, let's not view these evolutions as mere shifts in operations. Instead, let's see them as opportunities—opportunities to redefine, to innovate, and to set new benchmarks in Service Management excellence. The future beckons, and it's ours to shape.

Future of the operating model

As a recognised leader in IT and Digital Operating model design and transformation, Mozaic has delivered wholesale change in over a hundred, large complex estates over the past 10 years – possibly more than any other single organisation during that period. Our team includes ex-CIOs and CTOs from across a broad range of industries, giving us a unique perspective on the past, and on the next phase of operating model change that will affect us all.

THE SERIES

This whitepaper is one of a series that looks at the future of the operating model, and details the specific areas of change that organisations will need to embark upon to transform into Enterprise Product and achieve excellence in technology delivery.

The papers in the series are:

▶ The future of the technology operating model
▶ Focusing on value
▶ The importance of culture in transformation
▶ Measure the things that really matter
▶ Aligning sourcing models to support Enterprise Product
▶ Value stream management - it's time to stop throttling change
▶ Data driven operations
▶ Addressing legacy constraints
▶ Unleashing data's potential
▶ Cloud for Digital Excellence
▶ **The Evolution of Service Management**

The full catalogue of papers can be found on the Mozaic website at https://mozaic.net/insights/.

Accompanying the series, Mozaic offers a range of complementary workshops, which look in more detail at the subject areas, and help teams to better understand the challenges and opportunities in their context.

If you would like to know more, please contact us at info@mozaic.net or call us on 0203 709 1625.

FOR MORE INFORMATION

WILL COSH

07530 752 820

will.cosh@mozaic.net

STEVE TUPPEN

07584 171 013

steve.tuppen@mozaic.net

LEGAL DISCLAIMER