GAINING VISIBILITY AND CONTROL

HOW SERVICE OPERATIONS MANAGEMENT CAN PUT YOU ON A PATH TO IMPROVED CUSTOMER SERVICE
Executive Summary

Continuing to deliver services with reduced resources is a fact of life for government’s IT leaders. The federal government’s information technology spending budget was cut by $2.4 billion in 2015 while state and local governments also suffered decreases in IT and support service budgets. Contrast that to IT spending in the private sector, which is increasing even as you read this to $3.8 trillion, allowing companies to continue to offer better services by leveraging technology.

The public sector faces other IT problems, too: prioritization obstacles and slow delivery of services. All the while, citizen expectations grow exponentially.

Despite their budget differences, the private and public sectors still operate in the same universe of customer expectations. The same customers who bank, buy a television or book a vacation online are looking for an equivalent level of service and user experience from government agencies.

So where does that leave the public sector? How can the federal government improve optimization and prioritization as well as visibility and control? What are the next steps?

Many officials are turning to better IT operations management to help satisfy these needs. IT operations management solutions consolidate resource data from across the enterprise — including virtualized and cloud environments — into a single system of record. This approach provides visibility into system performance, allows for automation of key processes and delivers a service-centric approach to operations management.

Citizens are counting on agencies and IT departments to deliver new services faster — and to keep them running. But limited visibility into services and the dependencies that support them could stand between you and those goals. IT operations management can help.

That’s why GovLoop has partnered with ServiceNow, a company that delivers service-aware operations agility, performance and availability, to deliver this research brief.

Specifically, this research brief will:

• Share results from a survey of 341 public-sector professionals on IT operations management and perception.
• Explain how streamlined IT operations help you align with mission need.
• Include expert commentary from Bob Osborn, Chief Technology Officer, Federal, ServiceNow.
• Give you insight on how ServiceNow can help you adopt better IT operations management.

Why IT Operations Management is Important to the Public Sector

First, to explain what IT operations management is, we turned to Bob Osborn, ServiceNow’s Chief Technology Officer for Federal.

“Operations management, simply put, is the ability to understand and catalog all of the assets within your environment and then have tools and processes in place, which allows you to collectively manage them,” Osborn said. “That’s whether that environment is on the premises or in the cloud. Essentially, it is being able to understand and catalog all the assets in your environment and then manage those according to the priorities of your organization.”

For years, obtaining control and a detailed understanding of the data center have been challenging for IT workers. Common point solutions have only exacerbated the problem by configuring resources independently and without the governance of change control. Moving applications to the cloud adds further complications because changes can occur much faster and in greater volumes. Accurate configuration information about infrastructure — physical, virtual and cloud-based — ensures confident IT service delivery. It is also crucial for preventing outages and service quality degradation.

This is where IT operations management helps.

To better understand the public sector’s challenges and needs when it comes to IT operations management, GovLoop surveyed 341 public-sector professionals.

We were interested in discovering general awareness of IT operations management, how many public-sector workers consider it essential to successful IT, why they find it successful and what barriers they face in implementing a solid IT operations management strategy.

So how can IT operations management help government workers more efficiently deliver services and prioritize issues?

First, Osborn noted, it is truly important that officials at any organization, whether public or private, understand all the items and assets that make up their IT. “If you don’t know it’s there, you can’t effectively manage it,” Osborn said.

“Many organizations fall into the trap of buying management tools or putting processes in place trying to get the arm’s length configuration management or positioning of different environments without fully understanding what they already have and what state is it in,” Osborn said. “So when it comes to trying to understand what needs to be updated or replaced or if there’s a vulnerability associated with those assets, it’s difficult to find out if you even have it or if you are on the right version.”
Survey Results: A Snapshot of IT Operations Management

Fortunately, based on GovLoop’s survey results, it seems that the majority of public-sector IT employees are aware of the benefits of proper IT operations management, even though they may struggle with barriers to using it.

Nearly 73 percent of respondents said their organization has an IT operations management strategy in place. (See Figure 1.) Additionally, a resounding 97 percent said they believed that operations management was a crucial part of having a successful IT strategy. (See Figure 2.)

“It’s very true that general management of your environment is extremely difficult if you don’t have some sort of IT operations management process and the tools in place,” Osborn said. “That’s just one of the reasons it’s crucial to successful IT.”

That so many survey respondents say they understand the crucial importance of IT operations management is a good thing. Using it is another matter. More than half —55 percent — said that they and their organization struggle with prioritization of IT projects and issues. (See Figure 3.)

When implemented and used successfully, IT operations management helps you understand the relationship of system events to business services, enabling operations managers to make better prioritization decisions.

The GovLoop survey respondents agreed with this. About 67 percent said that one reason they need IT operations management is because it “makes them more efficient.” Nearly 37 percent said that operations management helps them prioritize issues, while 33 percent said it helps with mission impact and about 22 percent said it helps them save money. (See Figure 4.)

Despite these myriad benefits and the GovLoop audience’s understanding of them, not everyone was onboard. For those whom IT operations management is not currently important or a priority, when asked why not, 50 percent said they were “unclear about the benefits.” (See Figure 5.)

Overall, many public-sector workers still face barriers when trying to implement or take advantage of IT operations management. For instance, 47 percent said “culture and mindset” were a challenge when implementing IT operations management, while “cost,” “leadership buy-in” and “no understanding of its importance” were each cited as barriers by about 31 percent of survey respondents. (See Figure 6.)
Osborn said that many of these barriers are common to a variety of organizations.

“A big challenge is often maturity of the organization and being able to understand the benefits of IT operations management, both on premises and in the cloud and managing that holistically,” he said.

“Normally, organizations will go buy one technology and then another technology and put integrations in place and have all different domains that they operate, different hardware that support these different technologies,” he continued. “Then over time, that grows to be a very complex and difficult environment to manage. That’s fairly common in the federal government, and the ability to manage that effectively seems to be daunting and overwhelming.”

Osborn said that many agency officials believe they have to first “crawl, then walk, then run,” meaning they must use a building-block style of IT operations rather than a holistic one.

Agencies should instead apply a methodology used for operations management with tools that will allow them to very quickly catalog the assets within their environment and then associate those in a configuration management database. This then will allow them to quickly start up a management environment much more rapidly than if they were following a crawl, walk, run approach.

Cost is another barrier, Osborn said. “I think the latest data shows that 85 percent of IT budgets are just spent on supporting current assets or keeping the lights on, if you will,” he said. “There is often very little money to invest in new technology. So it’s ever more critical that federal IT professionals choose an IT operations management tool that will give them a good return on their investment.”

**Figure 4:** Which aspects of IT operations management are most important to IT endeavors?

<table>
<thead>
<tr>
<th>Aspect</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Makes us more efficient</td>
<td>67%</td>
</tr>
<tr>
<td>Helps prioritize issues</td>
<td>37%</td>
</tr>
<tr>
<td>Helps with mission impact</td>
<td>33%</td>
</tr>
<tr>
<td>Helps save money</td>
<td>23%</td>
</tr>
<tr>
<td>Helps us gain insight into overall health of services</td>
<td>22%</td>
</tr>
<tr>
<td>Other</td>
<td>3%</td>
</tr>
</tbody>
</table>

**Figure 5:** If IT operations management is not currently important to you or a priority, why is that?

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not clear about the benefits</td>
<td>50%</td>
</tr>
<tr>
<td>Other</td>
<td>25%</td>
</tr>
<tr>
<td>No buy-in from leadership</td>
<td>13%</td>
</tr>
<tr>
<td>Budget issues</td>
<td>13%</td>
</tr>
</tbody>
</table>
Facing barriers or challenges in implementing IT operations management, like those in Figure 6? Here are ServiceNow’s suggestions for overcoming the top barriers from our survey respondents:

1. The challenge of culture and mindset
Many government IT leaders are not clear about the benefits in utilizing an IT service management tools set. What becomes clear rather quickly is that most, if not all CIOs and IT directors, are conducting ITOM, but doing so piecemeal and using manual process supported by disparate systems. A clear benefit of using a platform such as ServiceNow is to aggregate all data about the IT environment, the processes used to manage that environment and then have a single source of truth, which can be used to report on activities and measure performance.

2. The challenge of leadership buy-in
Change is hard and without executive sponsorship it usually doesn’t happen. ServiceNow supports the modernization of an organization’s IT environment so that this modernized suite of capabilities might be used to transform other lines of business which increases the ROI on the ServiceNow investment very quickly. Developing this roadmap to success and savings generates interest and ultimately supports senior leader buy-in as the enterprise total cost of ownership figures decline.

3. The challenge of cost
Decreasing or unstable budgets also tend to have a constricting effect on planning change or transformative efforts or projects within an organization. Agencies need to have the ability to consolidate systems, streamline management processes and provide transparency into cost and performance, thereby allowing IT leaders to meet mission goals with restricted budget constraints.

Figure 6: What barriers do you face in implementing/emphasizing operations management?
Once an IT operations management has been successfully deployed, what changes can you expect in your IT department or services?

“We have several customers who have effectively implemented IT operations management to various degrees because you can grow it over time and increase your capability along with your maturity and your budget,” Osborn said. “And there are a couple who have achieved pretty mature deployments of operations management. What that really allows them to do is to have a catalog — that is, manage enough data in real time of every asset that’s operating within their enterprise.”

Osborn explained that these programs and deployments have allowed these clients to understand each asset that’s considered a configuration item within the enterprise and to understand the relationship among assets that support the services of the applications that the public or internal users are actually using.

The IT operations management deployment allows them to respond, mediate and eliminate any events, issues or downtime because they can quickly isolate the problem and make the appropriate changes to the enterprise.

Officials can also manage their configuration and understand what is happening in real time because every change in the environment is recorded in the database. As a result, current real data is projected on dashboards or in reports. This allows officials to completely understand the configuration and the support and relationships of other configuration items.

Successful deployment of an IT operations management model results in a very efficient and lean organization that has high uptime and reliability levels at the lowest possible cost.

Additionally, one of the benefits of successful IT operations management is streamlining business services, Osborn added.

“Many public agencies had server overkill,” he said. “What I mean by that is most agencies that embraced virtualization to get multiple virtual servers on a single box or a server piece of equipment, they’re not always utilizing the greatest potential.”

In that case, he said, you would then have many deployments of a particular application that would have their own set of servers that support that application. Unfortunately, in those cases, there is little performance data to see whether it’s being underused or even operating at proper capacity.

“In fact, in some cases, the application will underperform because there’s storage-area or computing storage capability to support the application in that type of the environment,” Osborn noted.

Very few organizations that have a deployment function of an operations management tool suite would have the visibility of that performance to be able to understand how to optimize or support any business service.

“However, a tool like ServiceNow gives you visibility into the performance of each of these configuration items within that server. And based upon that, we can balance the loads automatically to make sure that we are maintaining optimal performance to each sort of agreement at each level of the supporting infrastructures that deliver that service,” Osborn said.

“Without having that level of capability, you really can’t optimize,” he continued. “You really don’t know if you’re delivering the best services possible. You don’t know whether or not you could be doing better or if you’re really paying for a lot of extra overheads.”

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- Bob Osborn
  
  Chief Technology Officer -
  Federal, ServiceNow
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CONCLUSION

Today, public sector IT departments face escalating demands for innovative services to meet rising citizen expectations. These requests are driving them to adopt agile software delivery methodologies and to embrace public and private cloud infrastructures. This vastly increases the importance of IT within the organization, providing opportunities to create significant business value.

This shift is not without significant challenges, however. To respond, IT organizations must ensure complete visibility and control, break down communication barriers, and automate time-consuming, error-prone delivery processes. Disconnected tools and undocumented processes are no longer viable. Instead, a holistic, integrated approach is needed to address the entire software delivery lifecycle.

That’s why IT operations management is so critical at this juncture for public-sector IT. With ServiceNow, the differentiating capability is the single data model platform. It allows organizations to integrate all the tools that provide the capabilities of operations and management within a single platform.

The benefits to that are huge — and unique. ServiceNow deploys rapidly, making it easy for a potential customer to adopt the technology and use it within the enterprise environment, immediately reaping its benefits.

ServiceNow delivers an automated, unified platform that IT departments need to accelerate service delivery and improve service quality. By enabling agile development, automating service deployment and providing insights into services’ performance, ServiceNow lets IT transition from siloed development, deployment and operational teams to a unified, end-to-end service delivery model that accelerates innovation and enhances service quality.

ABOUT GOVLOOP

GovLoop’s mission is to “connect government to improve government.” We aim to inspire public-sector professionals by serving as the knowledge network for government. GovLoop connects more than 200,000 members, fostering cross-government collaboration, solving common problems and advancing government careers. GovLoop is headquartered in Washington, D.C., with a team of dedicated professionals who share a commitment to connect and improve government.

For more information about this report, please reach out to: Catherine Andrews, GovLoop Director of Content, at Catherine@govloop.com.

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ABOUT SERVICENOW

ServiceNow is changing the way people work. By placing a service-oriented lens on the activities, tasks and processes that make up day-to-day work life, we help the modern enterprise operate faster, better and more scalable than ever before. As the enterprise cloud company, ServiceNow provides a service model that defines, structures and automates the flow of work, removing e-mail and spreadsheets from the process to streamline the delivery of services.