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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 and cloud 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 cloud and 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...

>½
of digital initiatives lag CEO/leadership expectations.[3] Because...

59%
take too long to complete

52%
take too long to realize value

[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

$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 use and spend.** Without visibility to see your assets or scalable processes to manage them, money gets wasted on software, hardware, applications, and cloud resources that aren't needed—while strategic initiatives are starved of infrastructure investment. Eliminate waste, maximize the impact of your tech investments, and minimize the costly risks of noncompliance.

4. **Accelerate cloud transformation.** People and process challenges slow down cloud adoption. Speed up cloud-enabled digital transformation and roll out new products and services faster when you move to modern architectures that create great experiences.

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.

70%
of digital investments by 2025 will fail to deliver expected business outcomes in the absence of a strategic portfolio management approach

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

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

2

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.

3
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Best practice

OPTIMIZE TECHNOLOGY USE AND SPEND

Not only are there more assets than ever supporting more digital services, but these assets are in an ongoing state of flux, particularly with the extraordinary agility the cloud provides. In many organizations, assets are 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 technology assets and manage them throughout their lifecycles:

- **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 assets are used** by automatically tying them to specific digital services or business functions, including identifying stranded assets that can be retired or redeployed.

- **Automate asset 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 asset 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

5.1%

growth in worldwide IT spending, reaching...

$4.6 trillion

in 2023. With an...

11.3%

rise in software spending alone

Source: Gartner, Gartner forecasts worldwide IT spending to grow 5.1% in 2023, October 19, 2022

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4

Best practice

ACCELERATE CLOUD TRANSFORMATION

Many companies struggle with cloud goals versus cloud reality: how to scale initiatives with the same automation, security, cost, resilience, and risk management as they did on premises. Your goals are to adopt faster, modernize architecture, and unleash agility and innovation—all while reducing legacy spend and showing a return on cloud investments. But people and process challenges, a lack of business alignment and application planning, imperfect cost visibility, and nonexistent governance models slow the transformation to a cloud-enabled operating model.

For a cloud-first approach, you need a unified platform to create maximum interoperability, visibility, and agility, so you can:

- **Plan application modernization** by prioritizing applications based on business impact, cost savings, or technology risk. Get the visibility you need to see and shut down redundant apps and reclaim unneeded underlying infrastructure and cost—to help recover ROI.

- **Scale cloud processes faster** with self-service automation of cloud request, incident, and change management processes that don't hamper DevOps and other teams. Maintaining visibility and governance of services in one platform drives process adherence and frictionless experiences.

- **Operate cloud services with resilience** using AIOps, security, and observability—even when the mix of on premises and cloud is constantly changing. Automatically unite data from on-premises and cloud sources to prevent service degradation, assess vulnerability in cloud environments, and preserve security and risk posture.

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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**

- **Cloud transformation**

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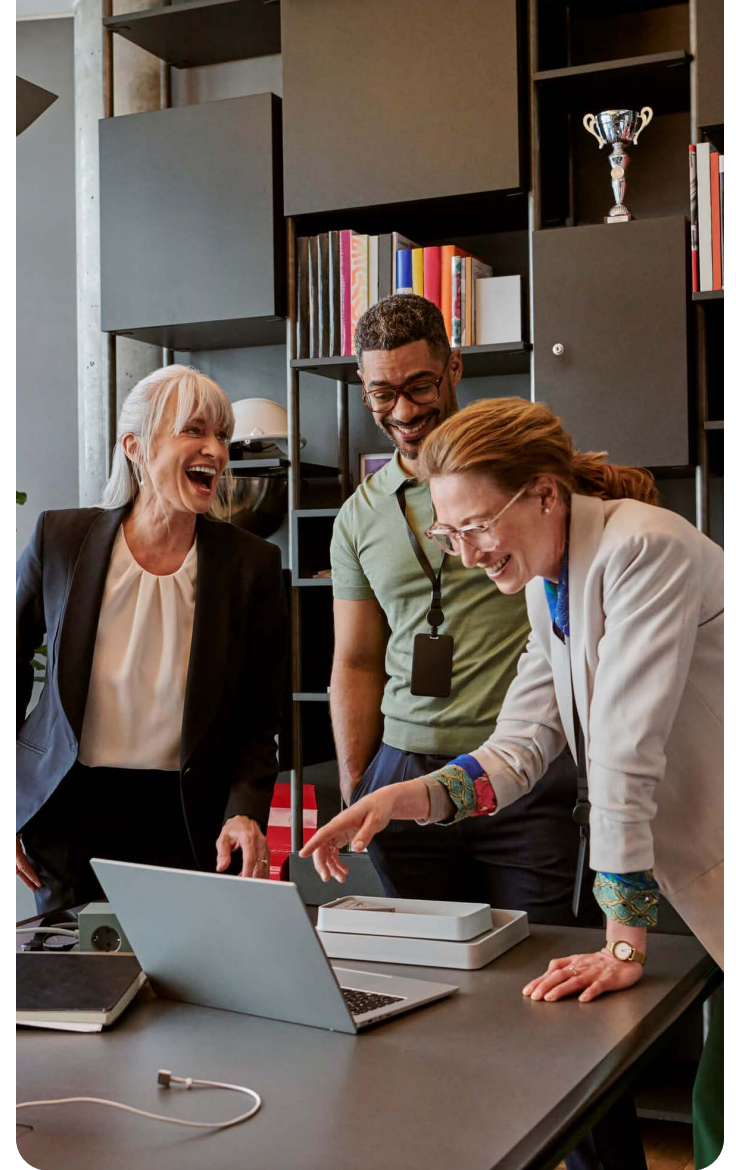
For a deeper exploration of ServiceNow solutions, we recommend the following content:

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.
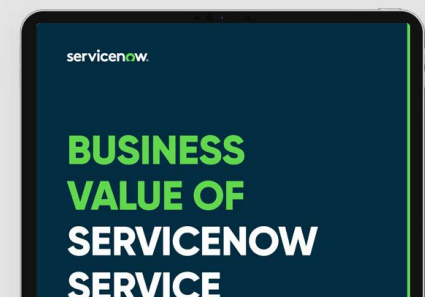
Read Ebook

BUSINESS VALUE OF SERVICENOW IT ASSET
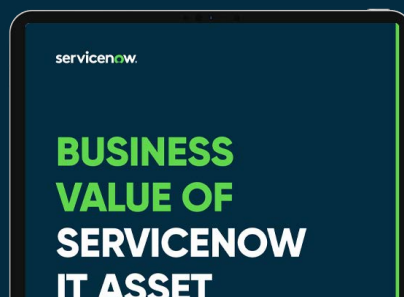
Business value of ServiceNow® service operations

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

BUSINESS VALUE OF SERVICENOW SERVICE

3 best practices for accelerating cloud transformation

Many companies struggle to scale cloud initiatives the same way they did on premises. This guide explains how to plan app modernization, scale processes, and operate services with resilience in the cloud.

Read Guide

3 best practices for accelerating cloud transformation

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

Transform digital operations with proactive planning that enables agility

Pivot quickly to drive high-impact business outcomes with Strategic Portfolio Management
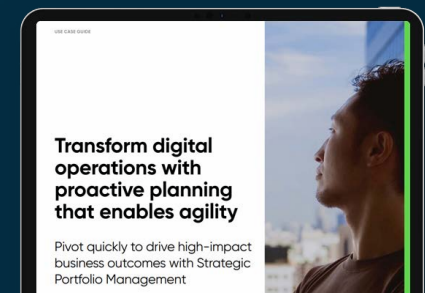
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About ServiceNow

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**.