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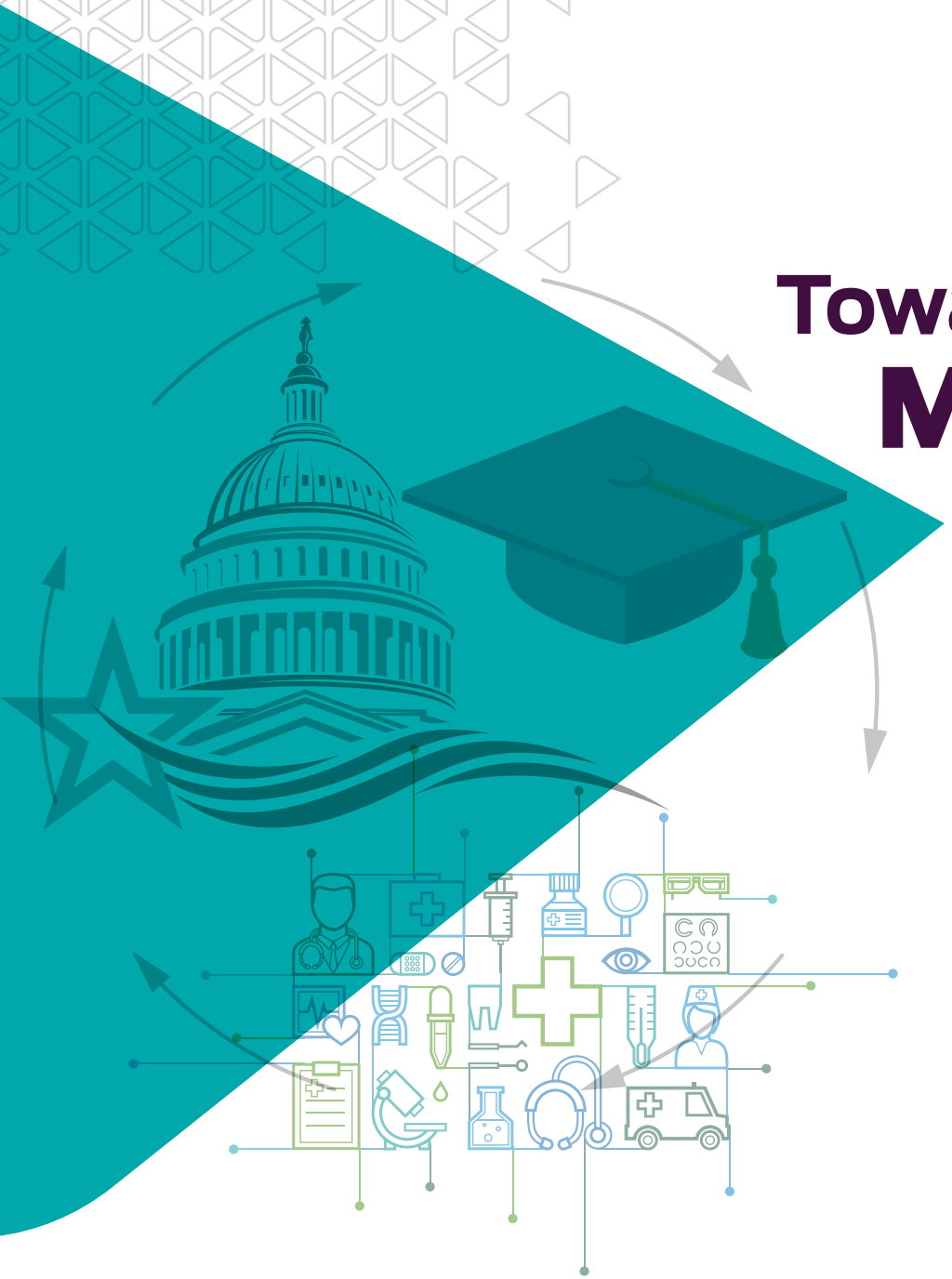


Toward More Mature ITSM: Meeting Demand in Education, Government, and Healthcare

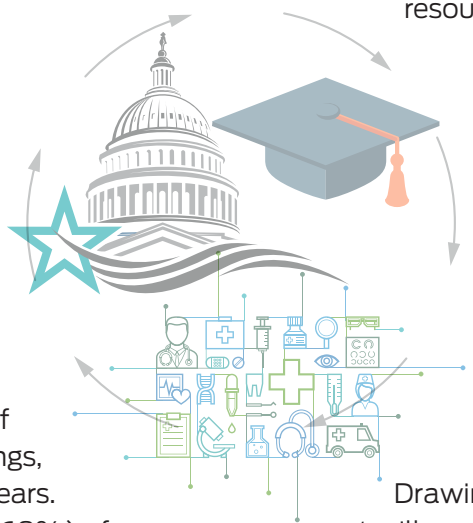
HDI

Inside

Introduction: Verticals in Focus

This report examines three verticals: education, government, and healthcare. While each of these faces its own challenges, they are linked by three common threads:

- Strong and specific compliance requirements
- Financial constraints over which they have limited control
- Mandates to modernize IT in response to the needs of their customers and users



Often, IT departments in these sectors find themselves caught between the need to modernize and the need to operate within budget constraints. These constraints are exacerbated in government and education by the cyclical nature of their funding. Legislative bodies hold the purse strings, and their budget cycles often run across multiple years. In higher education, for example, "fully two-thirds (68%) of [institutions] report that campus IT funding has not recovered from the recurring budget cuts that began for most institutions with the 'Great Recession' in fall 2008." As a side effect of these budget constraints, 79% of organizations reported that their campuses had "a difficult time retaining IT talent because salaries and benefits are not competitive with off-campus job opportunities." This leads to further resource constraints.

Meanwhile, rapid change is taking place in technology, and all three verticals are operating under pressure to provide up-to-date services for their constituencies. These competing priorities—budget constraints versus the provision of services—require that IT departments operate extremely efficiently and very effectively. These requirements point to the need for mature ITSM practices and processes, as well as the need for tools and technologies that enable efficient operations and support.

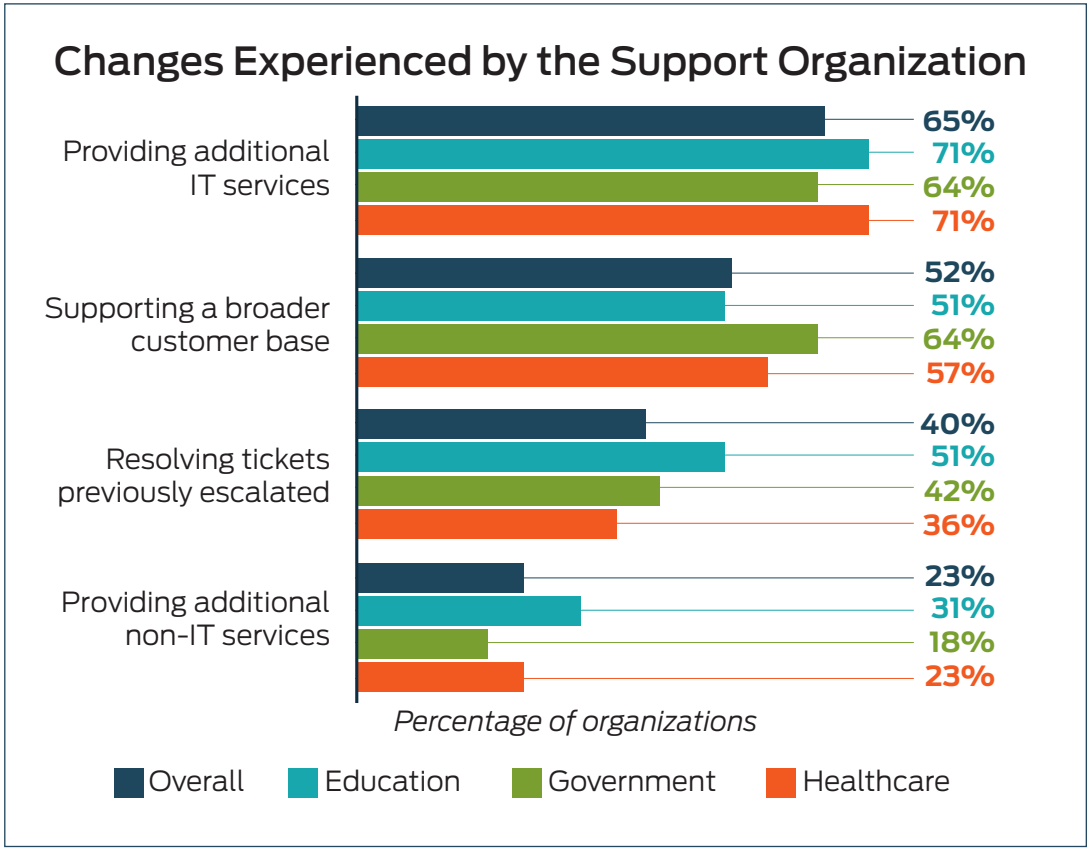
Drawing on HDI research conducted over the past year, this report will consider the opportunities and challenges that pertain to these sectors, focusing on how the results illustrate the maturity (or immaturity) in how IT technology and services are being used and executed.

Challenges and Opportunities

The Scope of Services Offered

The majority (i.e., more than 50%) of support organizations in the three verticals under consideration have taken on additional work in the form of more IT services and more customers. A substantial percentage have taken on work previously escalated to a higher level—part of the shift-left strategy. Many have added non-IT services to their responsibilities as well.

There are opportunities presented by providing these expanded services as well, including the demonstration of value to the organization. Support does much more than break/fix work, but does the rest of the organization know that? As the various business areas receive other or new kinds of services, they will begin to see the value provided. Simultaneously, the support organization will learn more about the consumers of its services, opening new dialogues and increasing understanding in both directions.



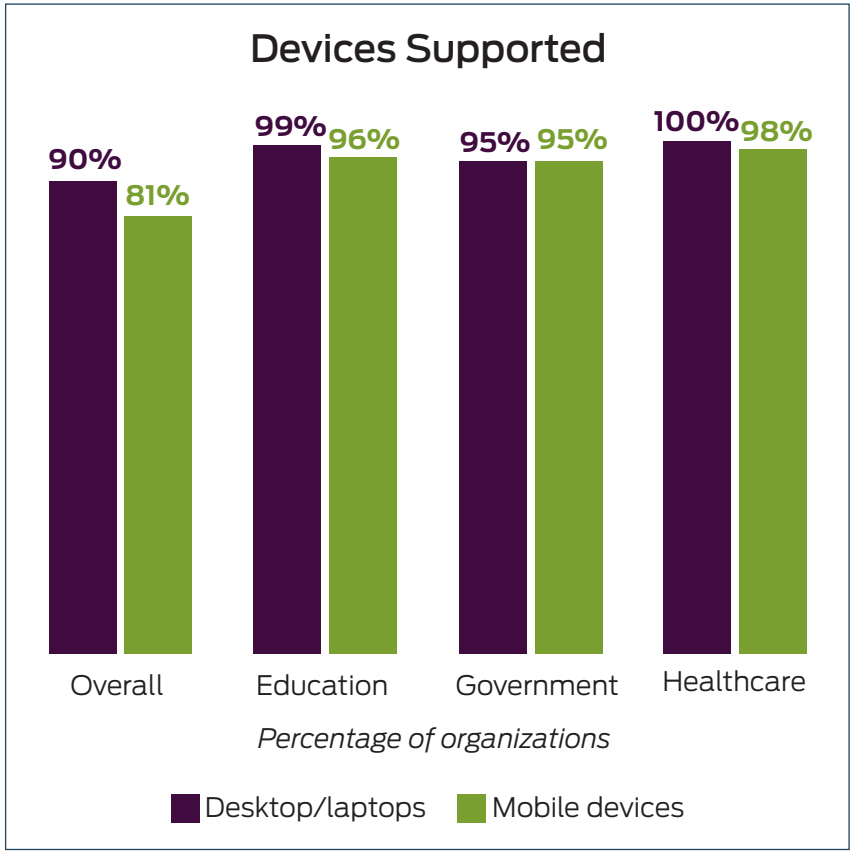
Source: "The State of Enterprise Service Management" (2018)

Supporting a Wide Range of Devices

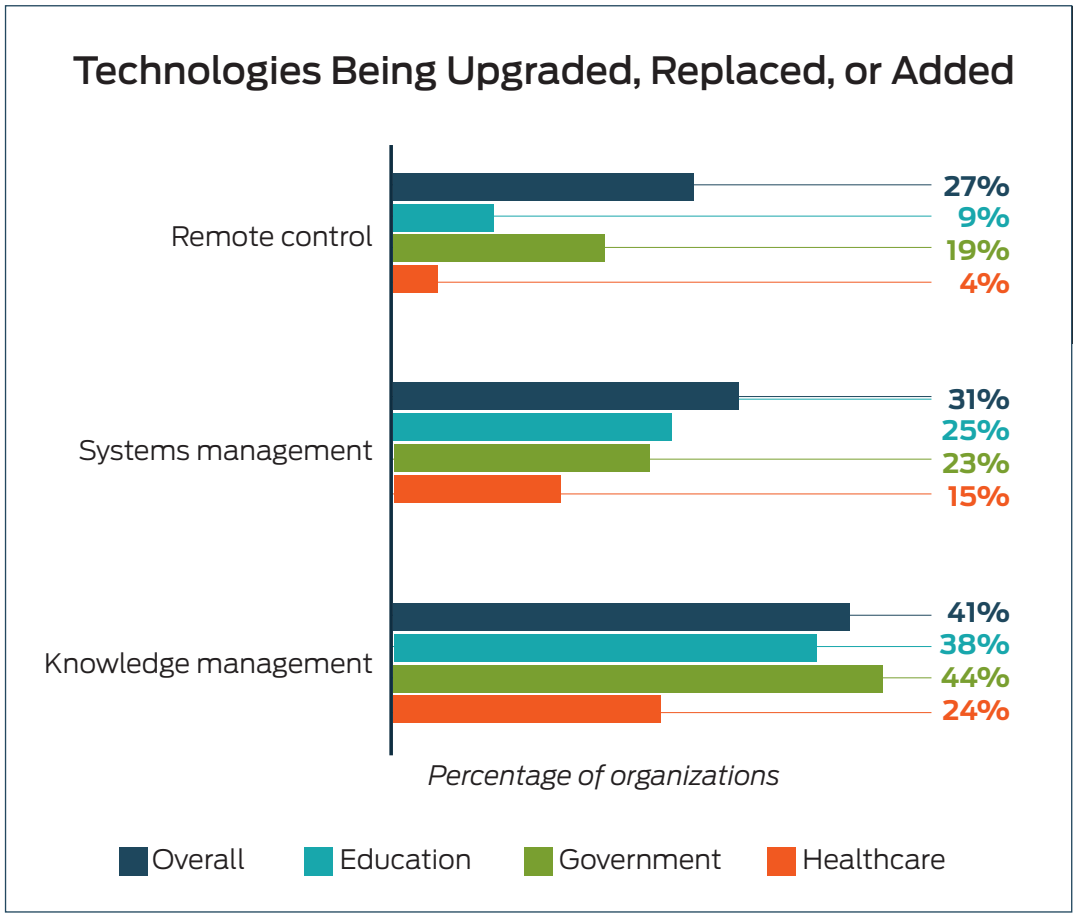
In education, government, and healthcare, the support center offers a broader range of device support than does the industry as a whole. Even in the "standard" realm of desktops and laptops, a higher percentage of the support centers in education, government, and healthcare are supporting these devices. Overall, an expanded range of devices supported correlates with increased technical expertise, more robust documentation libraries, and better vendor relations as compared to their counterparts in other sectors.

Meanwhile, some of the key technologies used to enable support are not being added, upgraded, or replaced at the same rates as in the industry as a whole, though a slightly higher percentage of government organizations are investing in knowledge management technologies than the in industry as a whole.

The result is that greater demands are being put on the support organizations without commensurate investments in the tools of the trade. In fact, with few exceptions, education, healthcare, and government organizations are investing or planning to invest in major categories of technology (e.g., analytics/reporting, alerts and monitoring, collaboration tools, quality monitoring) at a lower rate than the industry overall.



Source: 2018 HDI Practices & Salary Report



Source: 2018 HDI Practices & Salary Report

What Is "Maturity" and How Do We Get There?

The Mature Approach to Service Management

In spite of budget constraints and the increased type and number of services provided, education, government, and healthcare support organizations are frequently surpassing their private industry counterparts in overall performance.

If we look at performance in terms of the percentage of tickets resolved within service level agreement or operational level agreement (SLA/OLA) targets, we can see that they're exceeding the industry overall, as demonstrated by the percentage of organizations achieving 81-100% levels.

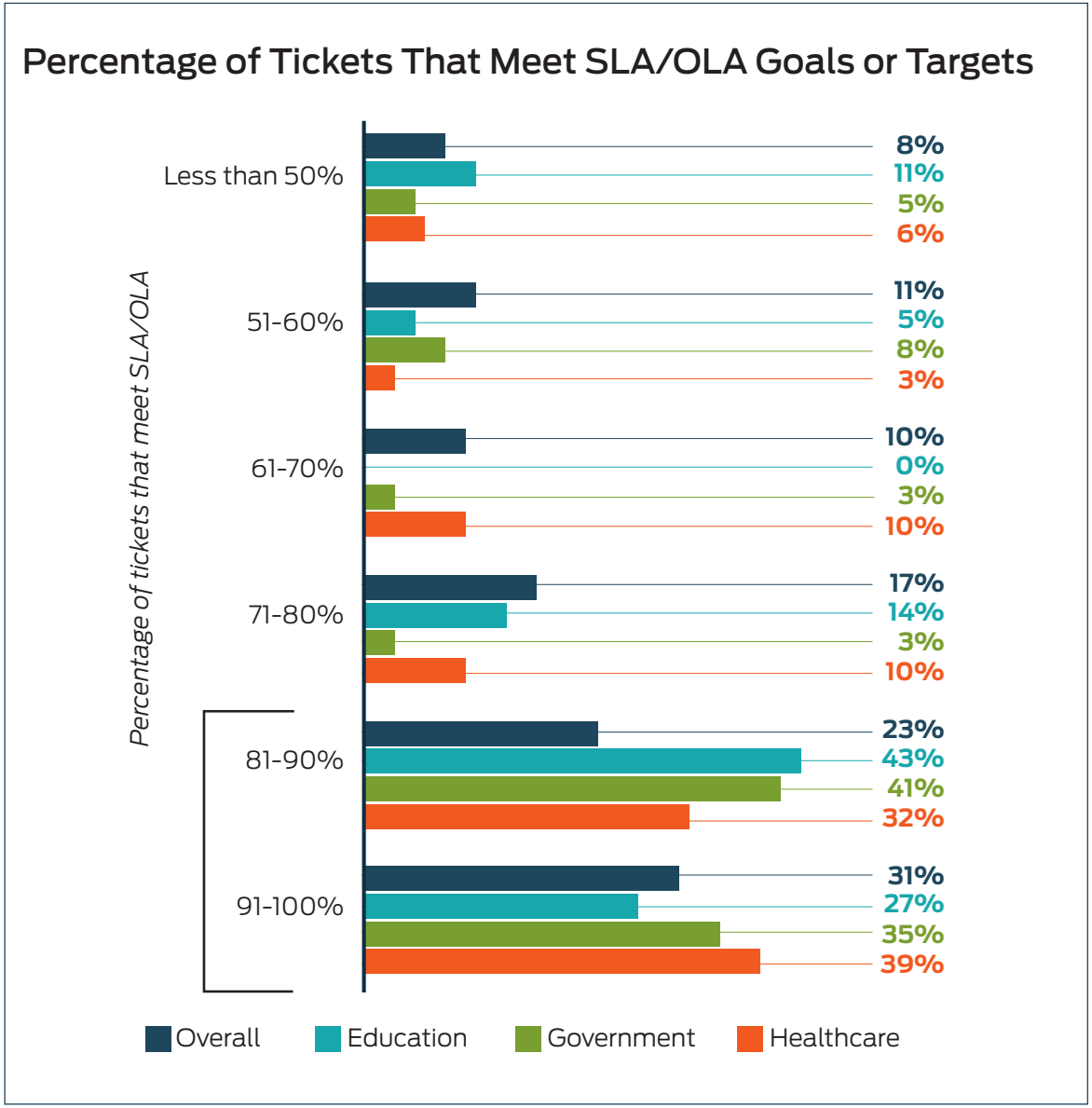
How are the support organizations in these verticals excelling? In part, it's due to the adoption of service management practices and processes within these verticals as compared with the industry as a whole. More than three-quarters of the organizations in our focus verticals identify ITIL as the framework they've adopted versus 55% of organizations in the industry overall. ITIL isn't necessarily the best or only framework for service management; it

is, however, the most widely adopted. Education, government, and healthcare organizations outperform the industry overall at the level of specific ITIL processes, as well. Education is noteworthy for lower adoption rates in four process areas, but even then, only by a slim margin.

All these statistics boil down to this: IT (specifically ITSM and support) in education, government, and healthcare is able to keep up with increasing demand because of the relatively high adoption of widely accepted good practices, such as those found in the ITIL framework. In this regard, they're more mature than many of their private sector counterparts.

The Critical Nature of Knowledge Management

Across the industry, knowledge management has taken on more importance recently, as organizations prepare for emerging technologies, such as artificial intelligence (AI), machine learning, robotic process automation (RPA), virtual agents, and chatbots. In moving toward a future state, these organizations have come to realize that these technologies will require robust knowledge repositories from which answers and resolutions can be drawn.



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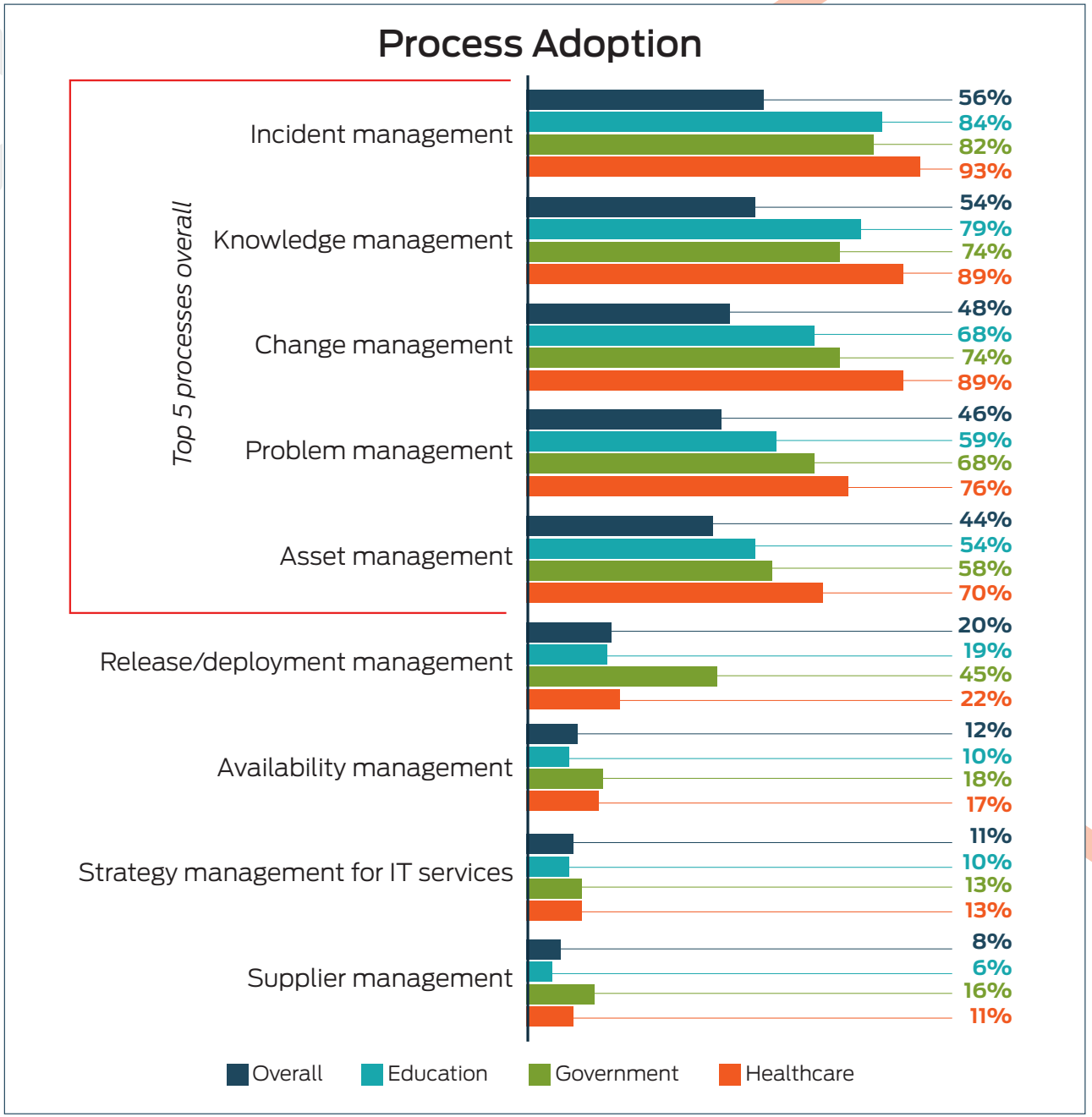


Source: 2018 HDI Practices & Salary Report

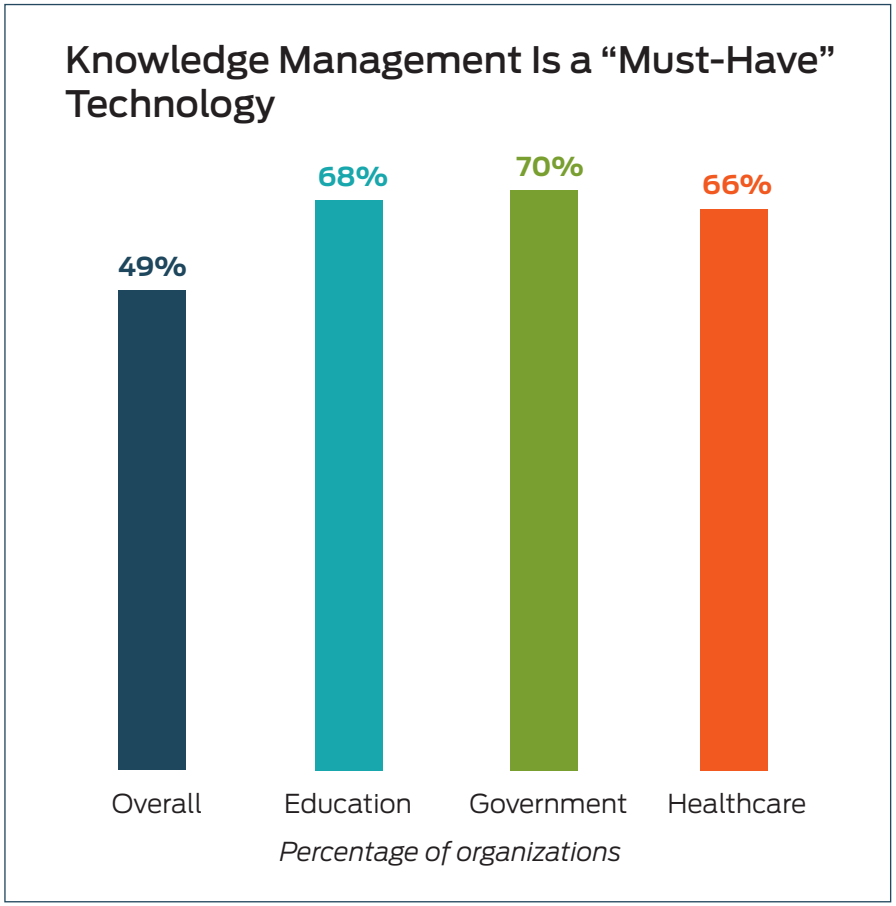
Support organizations in all three of our focus verticals say that knowledge management is a "must-have" technology.

While future-proofing the organization is a good reason to adopt a process, it's not the only reason. As we noted earlier, just over half of the industry as whole has adopted knowledge management versus more than three-quarters of education, government, and healthcare organizations. There are some relatively obvious reasons for the higher levels of adoption in the public sector:

- Government and healthcare have especially high compliance requirements, making consistency and accuracy of answers and resolutions imperative.
- Education—specifically higher education—has unique challenges in that the service desk is often staffed by students, many of whom are part-time and will no longer be available upon completion of their studies. Knowledge sharing and transfer is critical.

How KCS Meets Knowledge Needs

Knowledge-Centered Service (KCS) is a knowledge management methodology that integrates the production and maintenance of knowledge into the problem-solving interactions that occur while providing service. This methodology has been adopted in large percentages of organizations across the three focus verticals, again exceeding adoption rates in the industry overall.



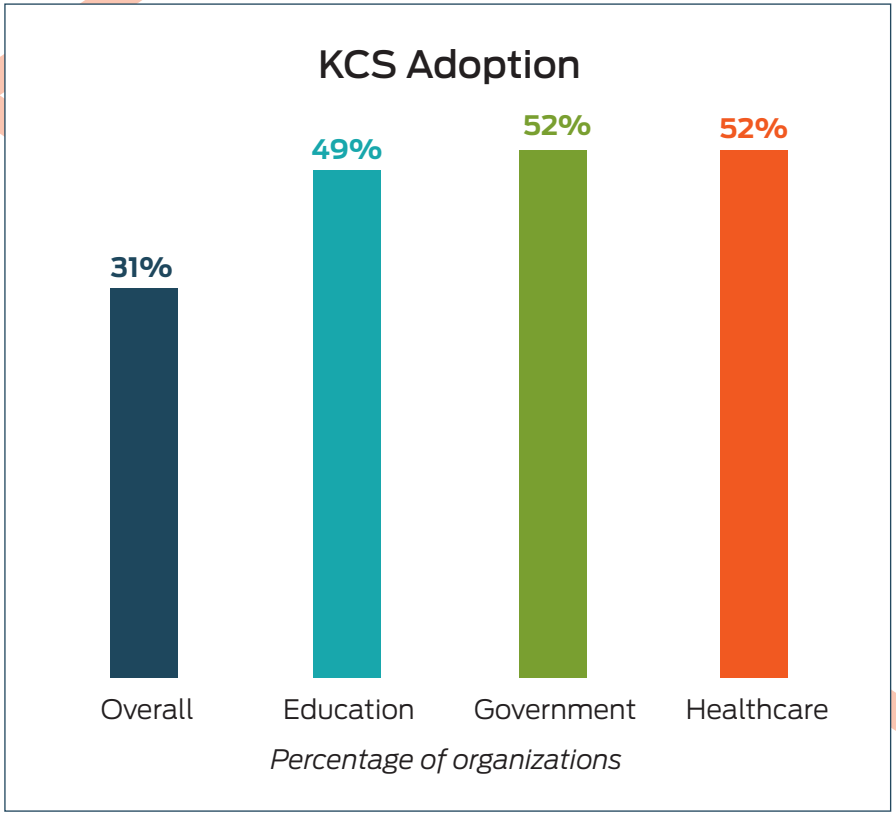
Source: 2018 HDI Practices & Salary Report

KCS is a double-loop process consisting of a Solve Loop and an Evolve Loop. The Solve Loop lays out the elements of actively creating, using, and improving knowledge. The Evolve Loop focuses on the maintenance and improvement of the KCS process as a whole, including the organizational culture.

KCS has four major tenets:

- Knowledge is created as the product of problem solving
- Content evolves through reuse and improvement
- Collective experience is stored in an accessible knowledge base
- Learning, sharing, and collaboration are rewarded

Instead of placing the onus for knowledge creation on a dedicated team, everyone is involved, and everyone contributes. Rather than creating knowledge articles "just in case" and publishing them only when they are "perfect," KCS encourages teams to capture the issue and resolution in the words of the customer, create articles "just in time," and improve articles based on demand and reuse. Knowledge is disseminated rapidly at the point of demand, and the work is done as needed.



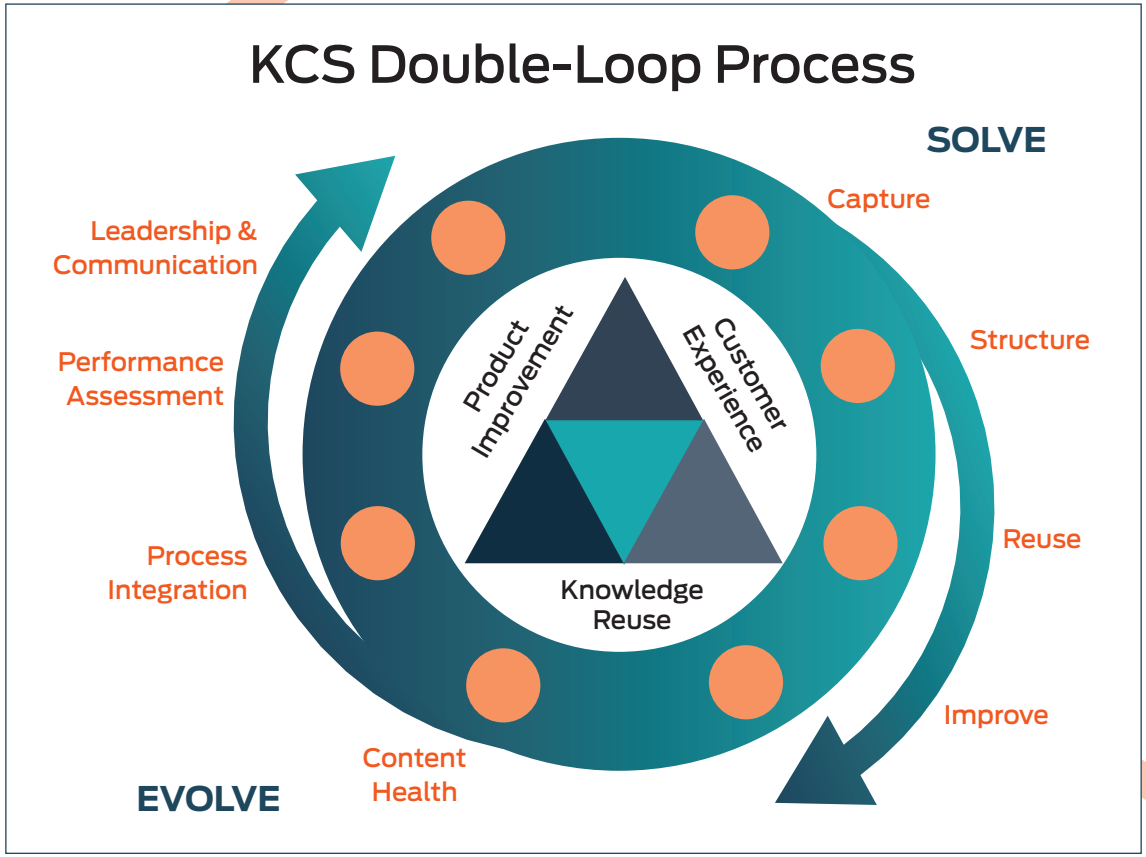
Source: 2018 HDI Practices & Salary Report

Based on criteria laid out in the KCS methodology, service and support workers engage with the Solve Loop in any or all of the following ways:

- **Use it —** Consume existing knowledge and use it for problem solving
- **Flag it —** Mark an article for improvement
- **Fix it —** Improve the article based on need
- **Add it —** If the requested knowledge doesn't exist, capture it in the knowledge base

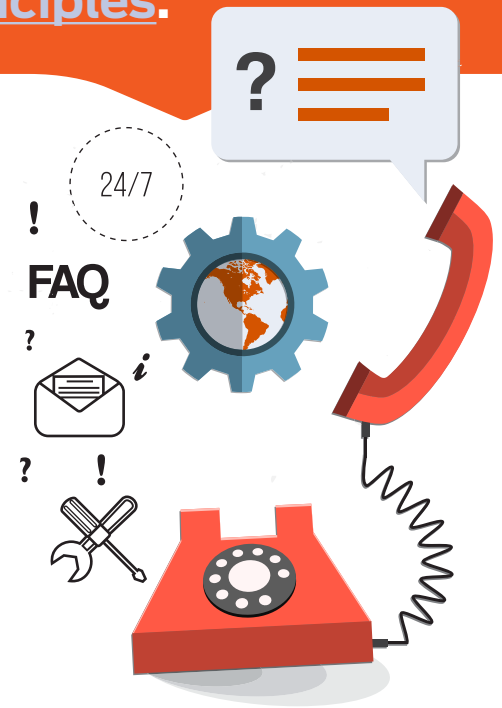
Through consistent application of these methods, reused knowledge is improved over time. No time is wasted in editing and improving knowledge that isn't reused (that is, single-use resolutions).

While the basic concepts of KCS are easy to articulate and grasp, their true value is derived only from the cultural evolution that must occur for this methodology to succeed. The KCS methodology isn't easy to adopt correctly; it requires time, effort, and investment. It yields proven results, but the effort required is often overlooked or underestimated.



Source: The KCS Academy

If you're interested in building your KCS skills, HDI offers two courses: KCS Foundation and KCS Principles.



SPOTLIGHT: WESTERN KENTUCKY UNIVERSITY

Western Kentucky University serves 22,000 students and has 2,500 employees across three campuses. In August 2017, the Technical Support Services department of the university's IT Division handled more than 6,000 IT-related requests and closed more than 4,000 support tickets. "We have an ebb and flow to our work," says Kaliegh Belda, WKU's Knowledge Coordinator. "It gets pretty intense at times, especially around the beginning or the end of a semester."

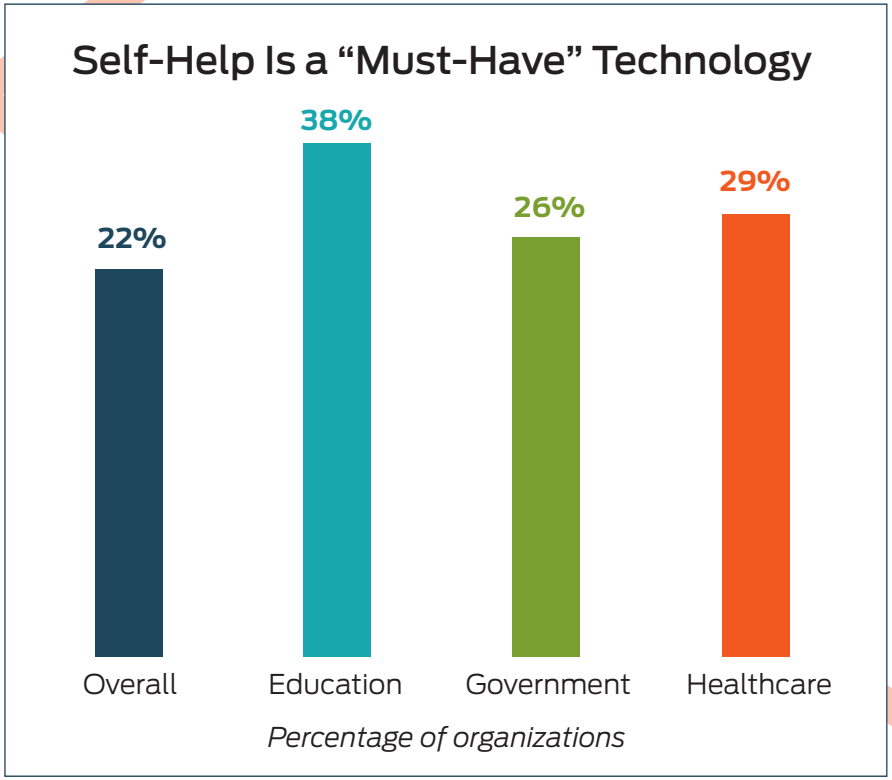
To handle this high service volume, WKU has created an expansive knowledge base to get out in front of people's questions as much as possible. This self-service portal includes hundreds of articles organized in 11 categories, such as Accounts & Passwords, Network & Wi-Fi, Email & Calendars, and Mobile Devices, and it's continually updated with new information. "It's a live document," Belda says.

The Role of Self-Service

According to HDI research, 65% of an organization's end users contact support. While it's possible that the other 35% never have a question or an issue, it's more likely that they are finding their own solutions, whether the organization has provided self-service or not. At first glance, this may seem like a positive thing, but consider that issues and answers not addressed either by assisted support or through an organizationally maintained self-service system remain unknown to those who need to correct, improve, or replace the applications or systems that generated the issues. The technical units of an organization (i.e., the IT department) are responsible for providing the services an organization needs. If those needs are unknown or misidentified, they won't be funded and can't be provisioned.

It should, then, be a goal of the organization to provide robust user self-service to the greatest possible extent. The self-service system—most often accessed via a web portal—must be easy to use, practical, and effective. As consumers outside of work, people are used to Amazon and Google, and they have come to expect the same level and ease of service at work.

All of our focus verticals report that they feel that self-help is a "must-have" technology, and again, they outpace the industry overall. Perhaps unsurprisingly, education far exceeds the industry as a whole, in keeping with the received wisdom that tech-savvy young people are more motivated and interested in being able to serve themselves.



Source: 2018 HDI Practices & Salary Report

The primary pitfall in providing self-service is failing to gain user adoption. If people are willing to search for solutions online, why aren't they flocking to self-service when it's offered internally?

In a recent interview with HDI, ITSM consultant and author Phyllis Drucker said:

> *If [Amazon] had created a shopping site that made it difficult to find the book you wanted, they would have gone out of business...When I talk to people, I say, the first thing you need to do is go shop online. Shop Amazon, shop a department store website, and see how they build things. You would never go to Amazon and have an item called "Books" and a bunch of dropdowns with every book that they sell. Yet people will put software in a catalog under a software request for every piece of software they offer, and then there's these 250-line dropdowns that people find very difficult to navigate. So, it's all in the design of the portal.*

There are basically three elements to a successful self-service portal:

- Make access and navigation easy, using graphic elements the users will recognize
- Ensure that any user-facing knowledge is:
  - In the language of the user/customer and not internal jargon
  - Findable using the language of the user/customer
- Make the user experience (UX) one that will draw people in and bring them back

AN ENTERPRISE-WIDE APPROACH

Our campus has 15 IT departments outside of central IT, with roughly 75 people. As you can imagine, it's daunting to get anything done at the institutional level. But we've been able to establish a culture, while using a single tool to enhance technology, and now we are bringing project management together with the service management.

We've agreed to cover all the costs associated with the platform for all groups across campus. Once you start a chargeback system, it becomes a lot more challenging. We have had so much success, now we see groups asking us, "Can we set this up for asset management or for tracking student success?" So now, it's going beyond where we had originally intended.

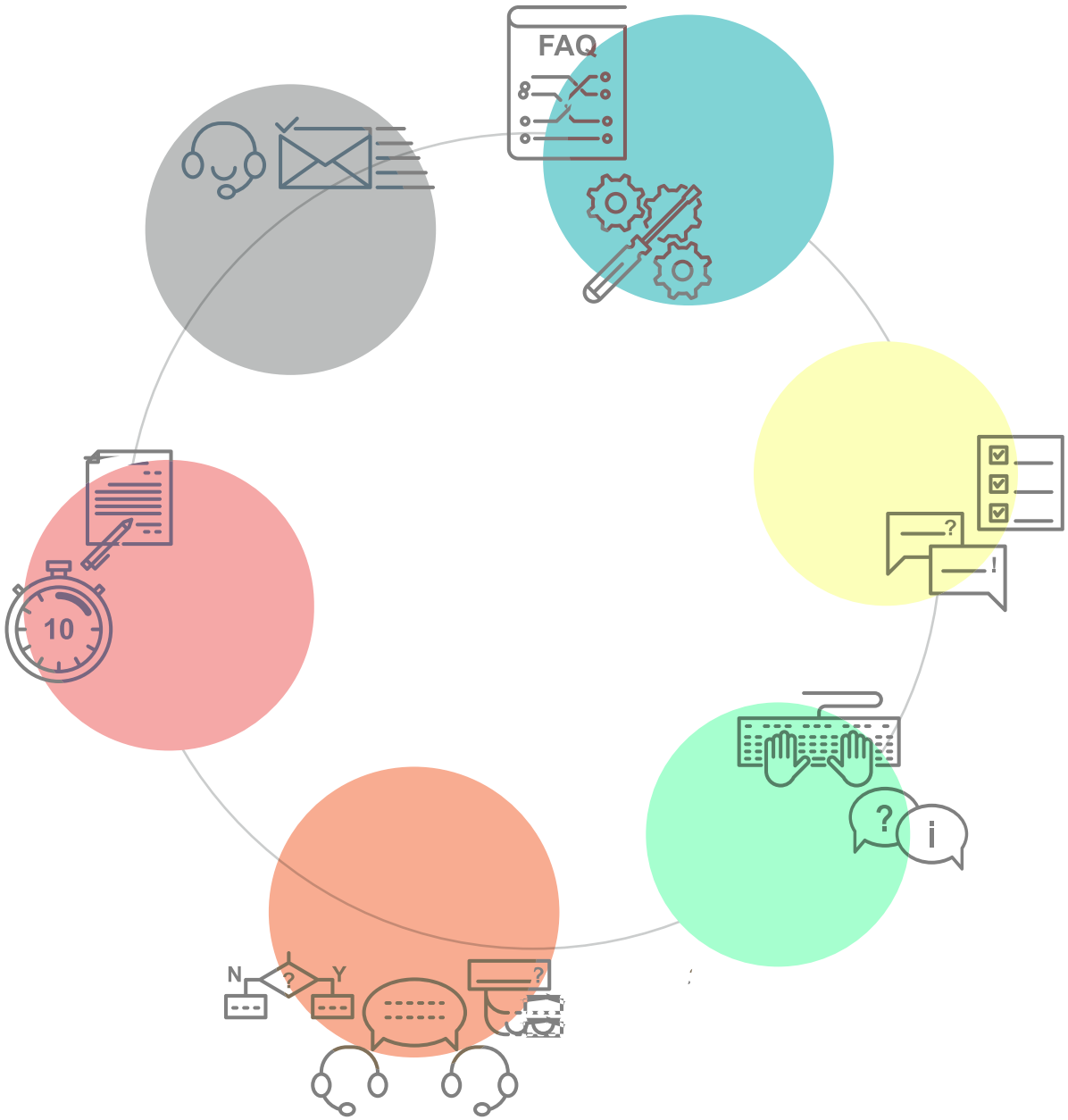
Dr. Mehran Basiratmand
CTO, Florida Atlantic University

The primary goal of any self-service system must be to make it easier and more efficient for the people who use it. The goals for self-service should not be:

- To deflect contacts and save money
- To reduce labor costs and save money

While these are all-too-often cited as goals, they should instead be viewed as the outcomes of successful self-service. If users find the answers to their questions quickly and easily, contacts to the service desk will be reduced. The design and content of the self-service portal, then, must be aligned with the goals of user experience and user success. In order to reach these goals, there must be an investment of time and money. Cost saving will come, but it will come later.

Combine a mature knowledge management capability, such as KCS, with robust self-help/self-service technology and a user-friendly portal, and any organization will be well on its way to fulfilling its contact-deflection, labor-reduction, and cost-saving goals.



Working from a Single Digital Platform: The Advantages of Integrated Project Management

According to Educause, "digital integrations" are one of the top goals for higher education institutions in 2019. The decentralization of application procurement coupled with the organic growth of technologies underpinning these institutions' operations is making IT environments in education more complex, and the same holds true to a large degree in government and healthcare. Consider, for example, the imperative for healthcare institutions to provide integration and interoperability in both electronic health records (EHR) and healthcare technology itself—including fitness and health wearables—while operating within fiscal constraints.

At least part of the answer lies in the integration of project management, which is responsible for the planning and completion of institutional technology projects, and ITSM, which is responsible for the design, configuration, and management of the services that are to be delivered using those technologies. Projects such as the

> *Moving to a single, automated platform gives us better visibility into projects and resources. It improves our ability to plan and adjust, and it makes our department more efficient. As a result, we can serve our users more effectively—while being responsible stewards of taxpayer dollars.*
>
> Rick Little
> Manager, Application Services
> Interagency Information Technologies Division
> Frederick County Government (MD)

unification or integration of EHR systems during hospital consolidations can greatly benefit from the participation of service management product and/or process owners, who can facilitate the inclusion of new or modified systems into configuration management, as well as adjust for expanded capacity and availability needs. The consolidation of government IT systems poses similar issues, and can benefit from the joint view of ITSM and project/project portfolio management.

If the management of the entire project portfolio can be integrated with the tools used for service management, making the data within the tool accessible to both disciplines, there will be much more opportunity for coordination and collaboration, reducing the likelihood of delays, pitfalls, and unexpected outcomes.

Consolidations, whether in education, government, or healthcare, carry high levels of risk and myriad opportunities for error. Every opportunity to coordinate and collaborate should be taken to avoid adverse technical and fiscal consequences. And while consolidations are just one example of how and why project management and service management capabilities should be working together, the indications—and contraindications—are very clear.

For over 30 years, HDI has partnered with thousands of organizations to improve their customer service and service management performance by educating their people, elevating their processes, and empowering their strategy. From C-level professionals to directors, managers, and frontline staff, HDI is the definitive source of industry information, leadership, and performance planning. Through events, certification and training, consulting, community, and industry resources, HDI aims to transform service and support organizations and reimagine their approach to delivering exceptional service and value. Learn more at ThinkHDI.com.

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