

The Future of ITSM:

Navigating industry
change with confidence



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Foreword

Navigating industry change with confidence

Aftershocks of the COVID-19 pandemic and widespread market uncertainty have accelerated digital transformation initiatives and highlighted the importance of resilient ITSM practices. As experts in IT service management (ITSM), we understand the challenges you face in keeping up with the ever-evolving landscape.

That's why **Appfire** and **Cprime** joined forces to create this report on **"The Future of ITSM: Navigating industry change with confidence."** We surveyed IT professionals and turned their feedback into actionable insights and real-time statistics that will help you thrive in the constantly changing world of ITSM.

From business processes to the tech stack, there are plenty of challenges...and plenty of opportunities to outpace the competition.



Our research has shown that three-quarters of companies surveyed (76%) are not completely satisfied with their ITSM processes, and 71% aren't completely satisfied with their ITSM software.



We know firsthand how daunting these challenges can be. But with the right insights and solutions, you can overcome them.

In this report, we share valuable findings and data based on industry leaders' real-world experience. These insights can help you optimize your ITSM processes and stay ahead of the competition. Don't let ITSM challenges hold you back! Take action by implementing the best practices outlined in this report, and exploring [the solutions](#) that can help.

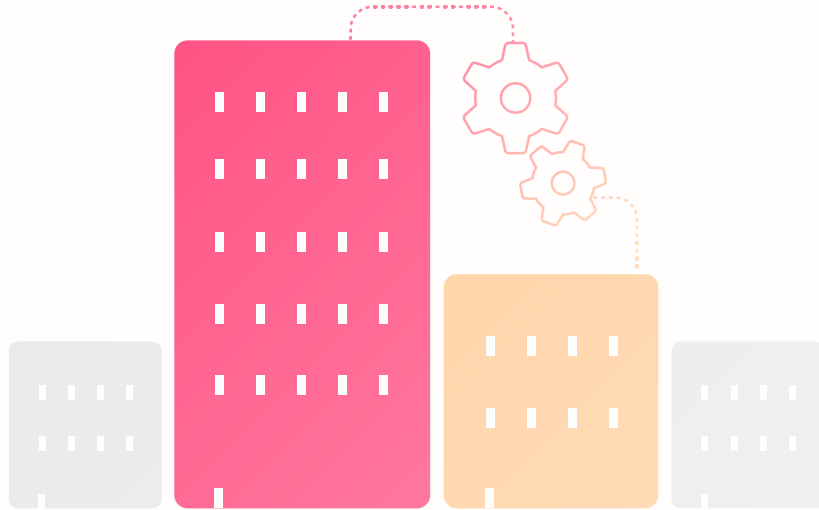
We'd like to express our gratitude for the trust you've placed in us as a knowledge resource. We know your time is valuable, and we're honored that you've chosen Appfire and Cprime as your trusted resources for ITSM. We hope the insights and solutions shared in this report prove helpful and informative. Let's navigate the future of ITSM together.

“

*Building and maintaining resilient IT service management practices **requires best-in-class tools and processes**. However, we also recognize the challenges many teams face in creating service desks that provide efficient IT support and contribute to their organization's growth and success. That's why we've developed this guide, which offers actionable insights and strategies to **help organizations overcome common hurdles and establish their service desks as growth generators** rather than just cost centers. By providing these actionable steps, we hope to empower teams to navigate the future of ITSM with confidence and success.”*

— Onder Ozcan, Senior Product Manager - ITSM at Appfire

Introduction



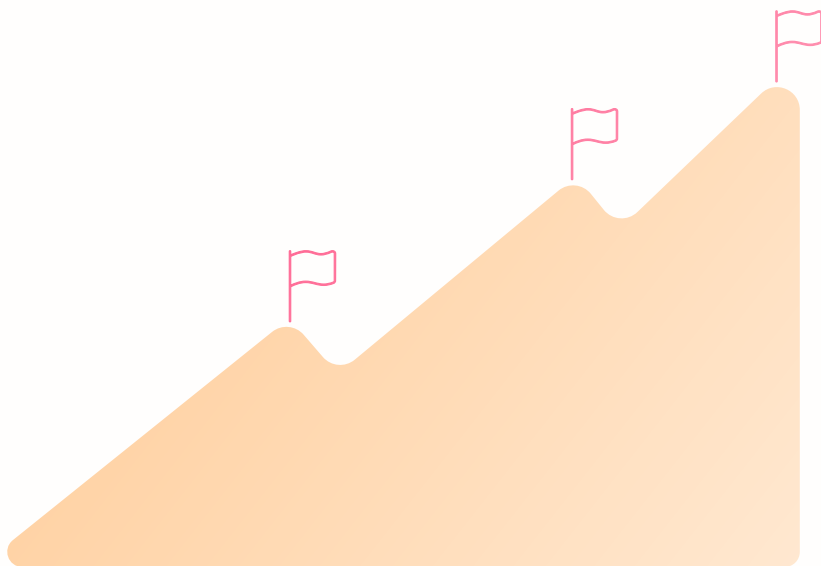
IT service management (ITSM) processes are the backbone of your business. They ensure reliable, efficient, and secure IT operations. But in the ever-changing technology landscape, ITSM must continuously evolve to meet new demands and challenges. To understand the latest trends and opportunities for growth in this industry, we surveyed IT professionals and made some interesting discoveries.

Our survey revealed:

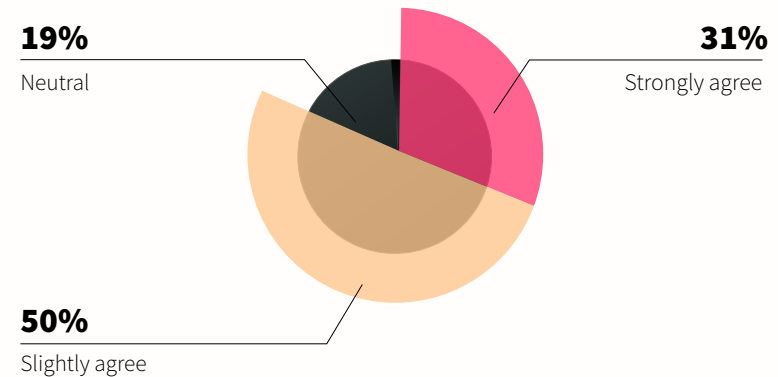
- Most organizations are **moderately satisfied with their ITSM processes**, but there's room for improvement in automation and security.
- Despite numerous benefits, many companies have **yet to adopt ITSM automation** due to various challenges.
- The shift to remote work has **increased security vulnerabilities**, requiring new measures to address them.
- **Distributed teams** have become more prevalent, but managing ITSM requirements across locations has become more complex, with an increased risk of security breaches.
- Some businesses are still on self-managed servers, while others have **migrated to the cloud or data center**, facing challenges in configuration mapping, timing, and data migration.

These findings provide insight into industry challenges, but the real value lies in the opportunity for you to take action and get ahead of the competition.

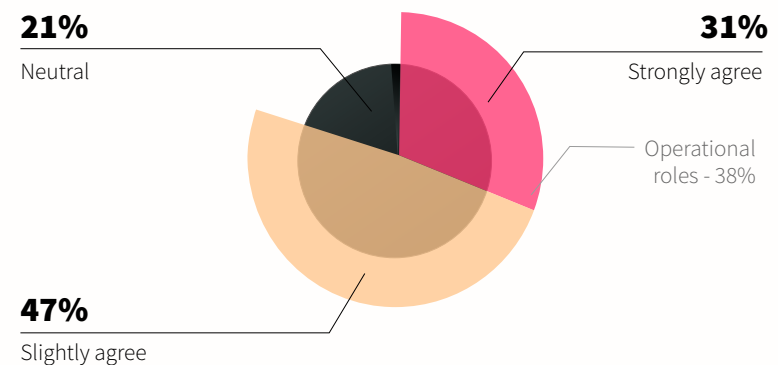
Our goal is to inform and empower you to establish solutions that are right for your business, ultimately improving operations, reducing costs, and enhancing security measures to help you stay competitive in the evolving ITSM landscape.



Security concerns and manual processes are the biggest challenges for IT organizations, according to survey respondents



Respondents who named security concerns and vulnerabilities as their biggest challenge



Respondents who named manual processes that need to be modernized as their biggest challenge

There's room to improve ITSM processes

As technology continues to evolve, the demands placed on IT service management (ITSM) processes are constantly changing.

Our research revealed that a majority of companies surveyed are not completely satisfied with their ITSM processes.

But the compelling part is why: two major roadblocks to fully-realized ITSM processes include a lack of adequate funding for IT teams and a disconnect between the C-suite and how ITSM supports the wider business strategy.

IT teams feel they generally have the skills and tools to succeed, but they don't always have the high-level support or adequate funding.

A donut chart with a pink segment representing 28% of the total. The rest of the chart is light gray.

28%

say the C-suite doesn't understand how ITSM supports the wider business strategy.

A donut chart with an orange segment representing 28% of the total. The rest of the chart is light gray.

28%

report that they're not getting adequate funding for IT teams.

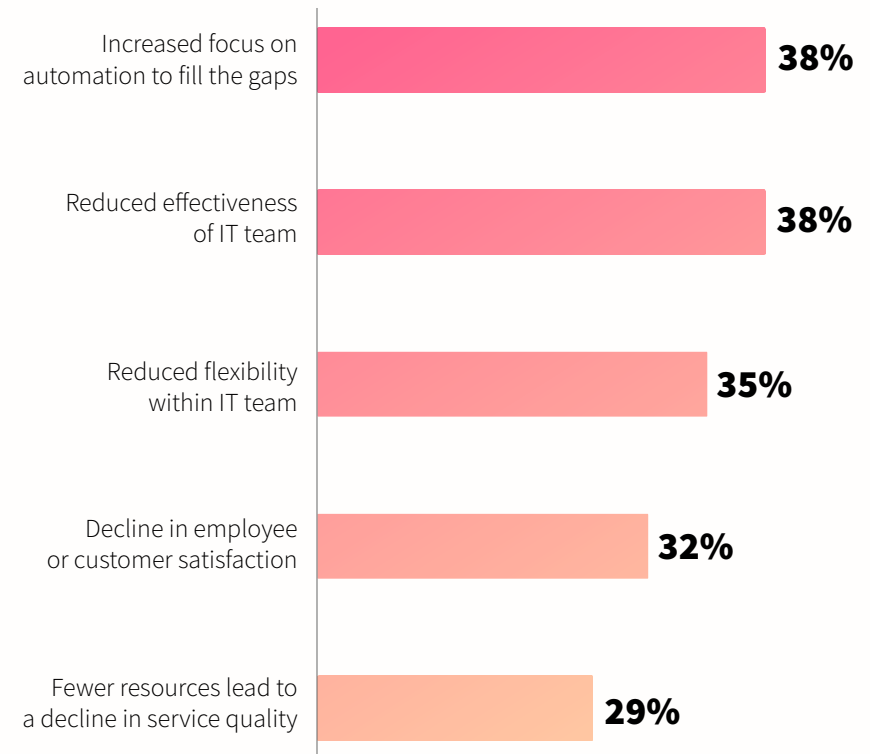
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*The **pandemic has really resulted in more responsibilities being put on IT teams within organizations.** Now that we're carrying out all of these processes digitally more than we did previously and we have these additional tools, it's also increasing the complexity of IT infrastructure.”*

— Sneha Crews, Managing Director - Solutions Engineering at Cprime

Additionally, the long-lasting societal effects of the COVID-19 pandemic have highlighted the need for increased mindfulness while adopting new business and organizational strategies. This mindfulness includes expedited shifts in servicing remote teams, considering budget constraints, managing staffing issues, and the overall adaptation to “the new normal,” which contributed to layoffs in the tech industry. But, ultimately, the increased need to streamline and automate processes inspired many companies to prioritize modernizing their ITSM capabilities.

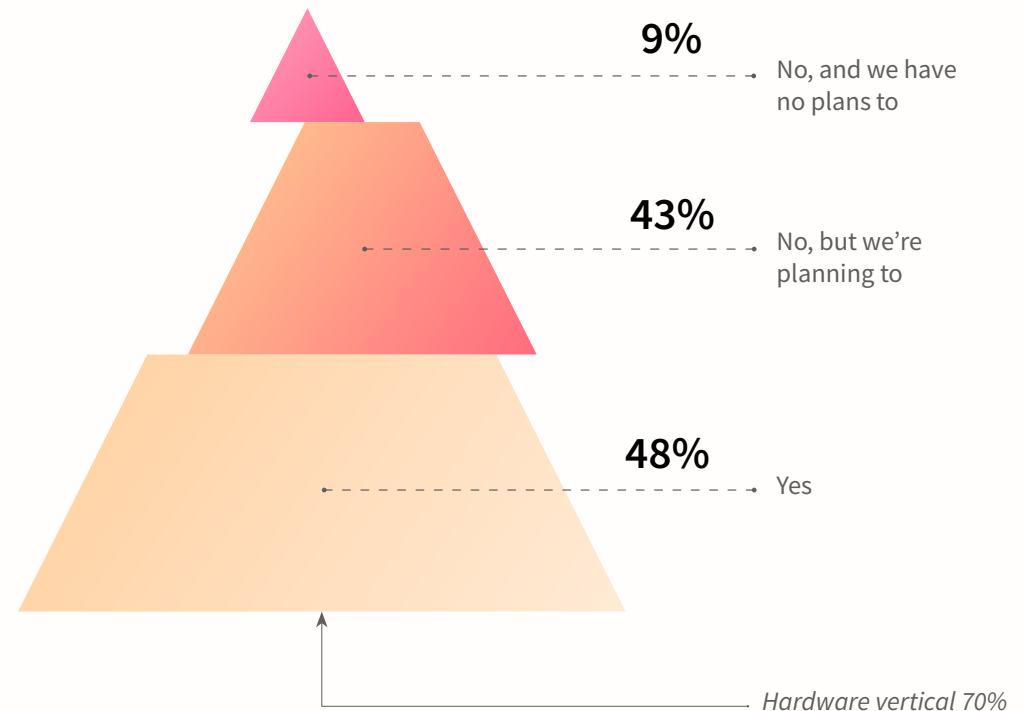
Impact of layoffs on IT teams



Enhancing ITSM capabilities is increasingly becoming a critical priority for businesses looking to keep up with the evolving technology landscape. From automation to workforce optimization and security, companies are driven to modernize their ITSM processes. Let's explore the reasons behind this drive to improve.

Automation is top-of-mind

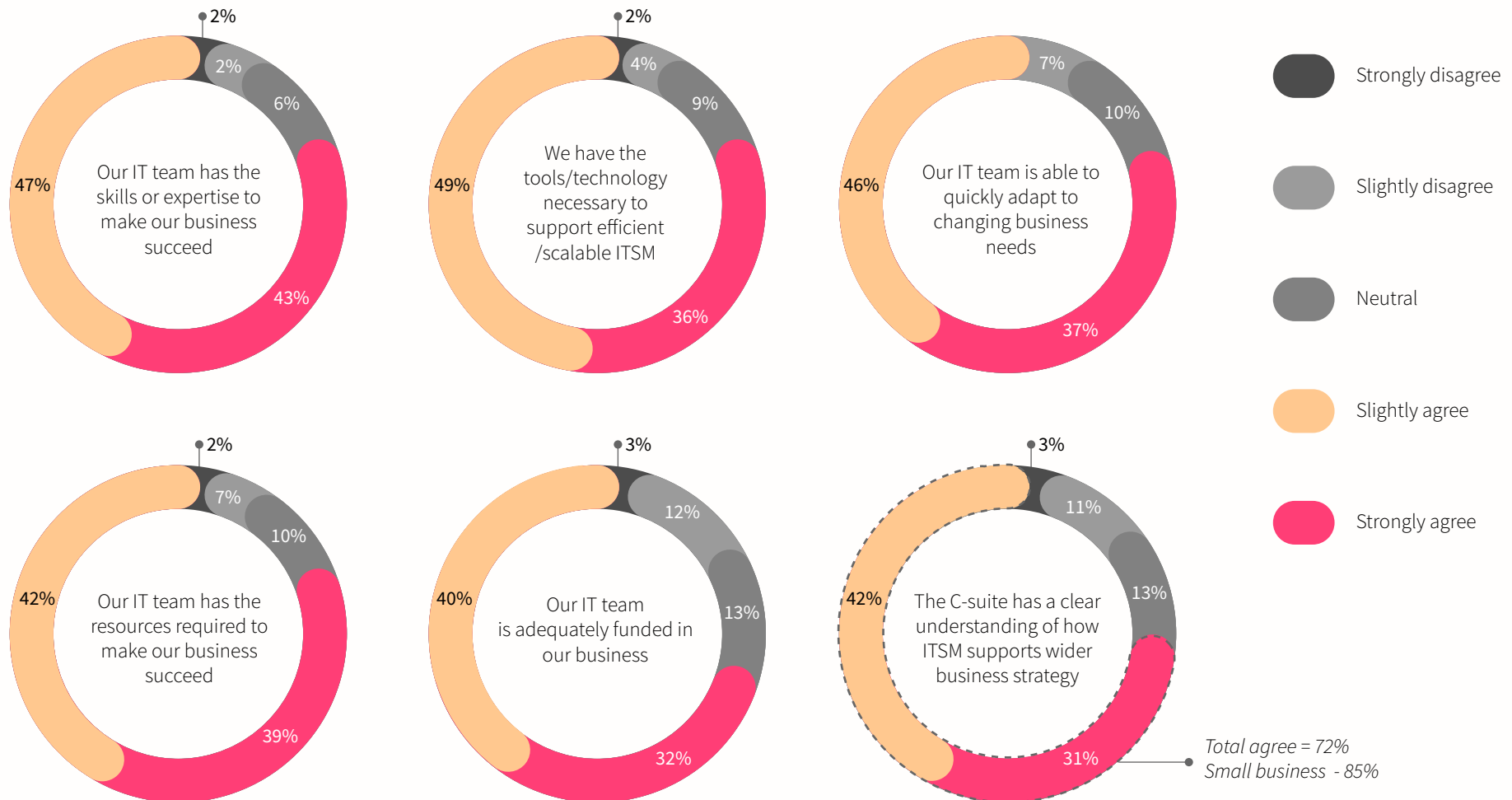
Are organizations using automation?



While ITSM automation offers numerous benefits, like improved efficiency and cost savings, a significant portion of organizations have yet to adopt it. In fact, **less than half of the companies surveyed have implemented automation, with 43% indicating they have plans to do so in the future.**

The reasons for this vary: Some companies may lack the necessary knowledge or resources to implement automation, while others may find the processes too complex or time-consuming. Implementing automation might also require companies to train employees on new technologies, which can be a significant investment.

Do IT teams have everything they need to succeed?



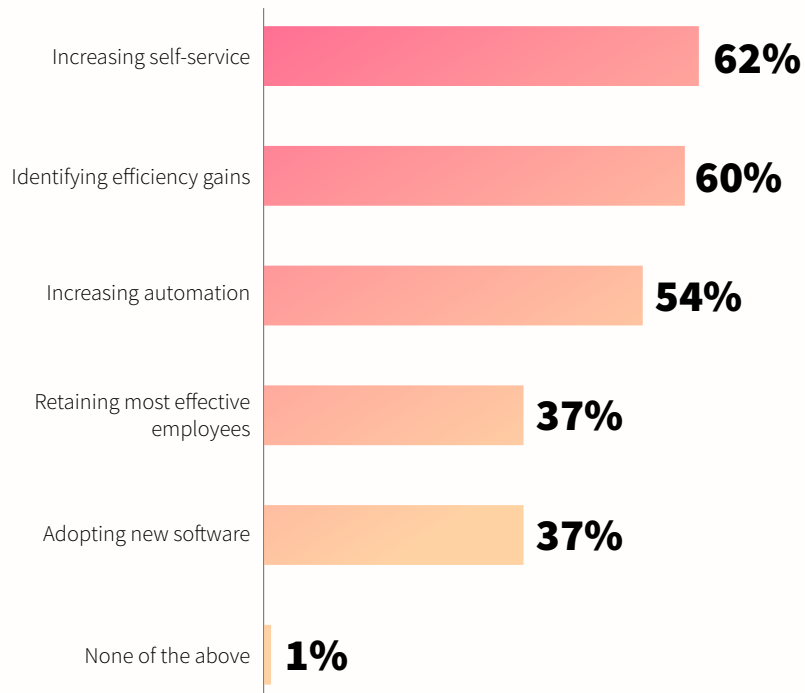
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*Most companies **acknowledge the potential face-value benefits that automation offers**. However, factors such as awareness of what's truly possible, C-level understanding and support, resource and time constraints, and implementation know-how can be **intimidating hurdles to getting started**. Understanding this helps better inform us and our partners on the importance of customer education and promoting customized and tailored solutions for businesses who need that extra support to modernize their ITSM processes”*

— Alex Viale, Director of Product Management - Workflow & Automation at Appfire

To overcome these challenges and achieve effective ITSM, companies are exploring various solutions, such as self-service, identifying efficiency gains, and automation. In fact, our survey found that companies are particularly focused on these areas as they seek to maintain ITSM effectiveness, even after experiencing workforce reductions. The graph below highlights the top solutions that ITSM teams are exploring to maintain standards and achieve goals.

What are IT teams prioritizing?

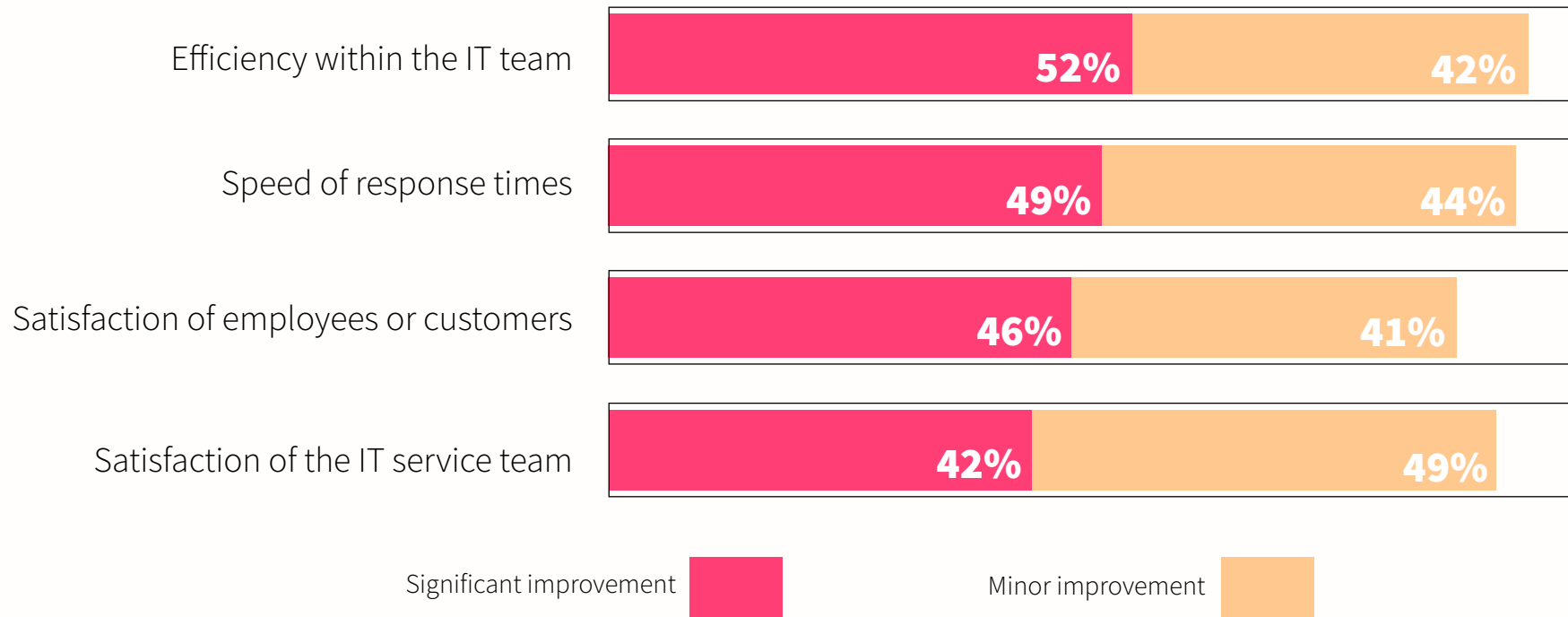


SLA management and improving KPIs

One of the most significant benefits of ITSM automation is improved efficiency, which leads to more requests being fulfilled on time and service level agreements (SLAs) being met. This also has a knock-on effect on key performance indicators (KPIs) such as speed of response, customer satisfaction, and retention rates.

The ability to automate repetitive and time-consuming tasks enables IT professionals to focus on high-value activities, which in turn drives efficiency, productivity, and customer satisfaction. By reducing the risk of human error, automation also enhances accuracy and compliance, contributing to improved data quality and security.

ITSM automation is seen as significantly improving efficiency, satisfaction, and speed of response



This has proven to be a game-changer for many organizations, **delivering significant improvements in key performance indicators (KPIs).**

Our surveyed audience reported the following improvements from ITSM automation.

Straight from respondents: How automation improves ITSM

*“SLA **improved 25%.**”*

*“Time to market **improved by 10%.**”*

*“Automation of access requests has **significantly reduced turnaround times** to provide employees access to systems.”*

*“Response time **decreased 25%** when ITSM automation was implemented.”*

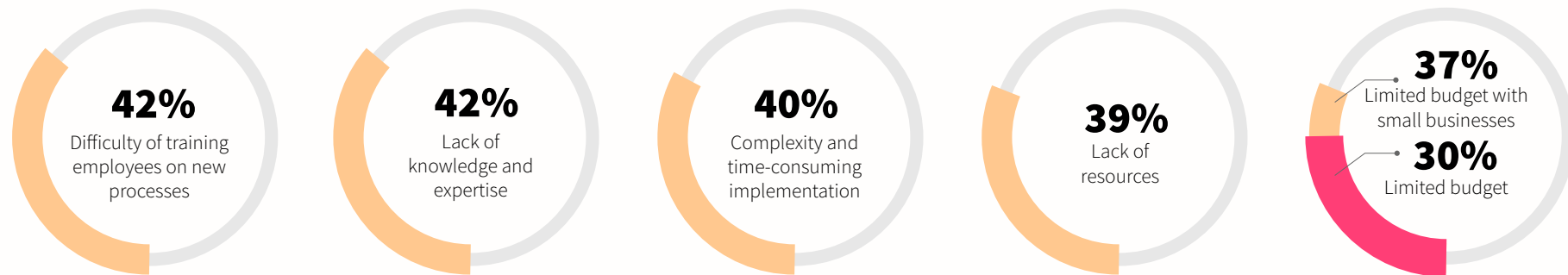
*“Response times are **60-70% faster.**”*

*“SLA has been reduced **from 48 hours to 24 hours.**”*

While automation can clearly deliver significant benefits for ITSM processes, it's just as clear that many organizations are still in the early stages of adoption. With less than half of those surveyed having implemented automation, there is still a tremendous opportunity for companies to improve their ITSM processes and drive better outcomes.

Why aren't more organizations automating?

Despite the potential benefits of automating ITSM processes, many organizations remain hesitant to do so. Some of the reasons for this include:



Another reason could be that businesses are content with their current ITSM processes, even if they're not as efficient or effective as they could be. This could stem from a lack of knowledge about what's in the market, creating complacency because what they have is all they know.

This complacency can lead to a reluctance to invest resources in exploring new solutions, including automation. But with the help of solution partners providing education and visibility into these resources, they can help to fulfill untapped potential.

49%

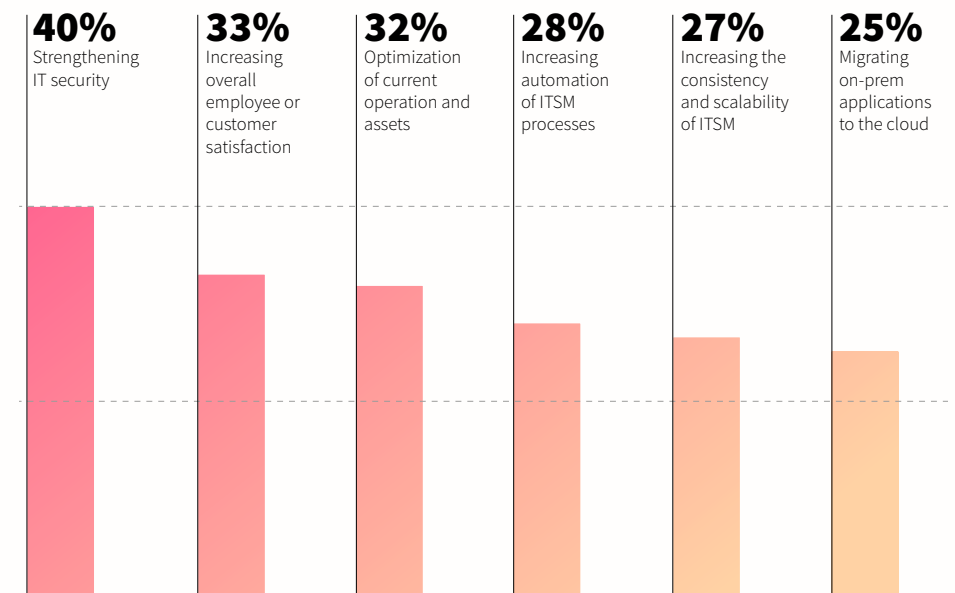
of respondents are seeing significant improvements in speed of response times

52%

are seeing significant improvements in IT team efficiency, due to ITSM automation.

However, as our survey data shows, organizations that do embrace automation can see significant improvements in key metrics. With the right support and approach, any challenges can be overcome. **Solution partners, educational content, expert guidance, and shared community knowledge** are all areas where businesses can help each other as automation is predicted to grow as a top priority for ITSM.

The top ITSM priorities for businesses in 2023

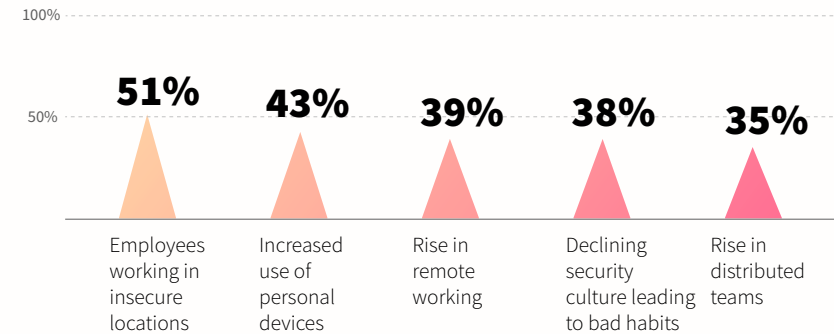


Security in an increasingly remote world

As more companies align with modern work trends — like the post-pandemic push for remote, hybrid, or distributed models — and adapt processes alongside the advancement in automation technology, they also face a growing security challenge. Especially with the rise of remote work, employees are now, more than ever, accessing sensitive information from unsecured locations and personal devices, putting organizations at an increased risk of security breaches.

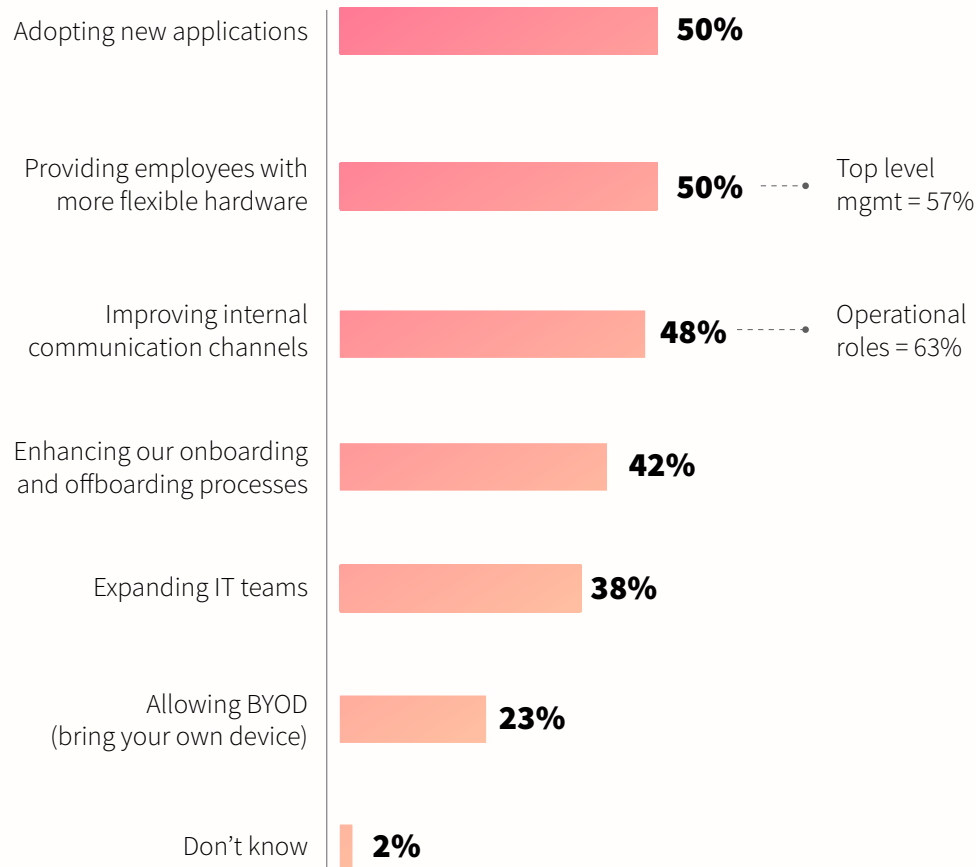
In fact, our survey shows that **51% of respondents believe that the rise of employees working in unsecured locations has increased their business's vulnerability to security breaches.**

Factors that have impacted business vulnerability to security breaches



Moreover, the globalization of the workforce has paved the way for distributed teams — which are teams where all members work remotely from different locations and have no central office. Similarly, hybrid teams are sort of a blend of on-site and distributed teams. However, **the trend of distributed teams has also increased vulnerability to security breaches, according to 35% of respondents.**

What are organizations doing to support distributed teams?



As with remote workers, distributed teams need the proper tools to be successful in working for an organization. To support distributed teams, businesses are adopting new applications, providing employees with more flexible hardware, and enhancing internal communication channels. In fact, **our survey found that 50% of respondents are adopting new applications to support distributed teams, and 50% are providing employees with more flexible hardware.**

As organizations adapt to an increasingly remote and distributed world, security concerns are taking on greater importance. This is particularly true when it comes to managing physical assets and data related to distributed teams.

Businesses are looking to harmonize their security efforts with a focus on Configuration Management Database (CMDB) and asset management. The need to track laptops and other equipment issued to employees, as well as their locations, has become critical. This is driving an increased interest in CMDB, because it's one way to ensure that this information is stored securely.

“

*As companies adapt to modern work trends and automation technologies, they **face growing security challenges** due to the rise of remote and distributed teams accessing sensitive information from unsecured locations and personal devices — increasing the **risk of security breaches**. Although security requires a holistic approach beyond ITSM implementations, its risks and impact can be managed by using ITSM tools and technologies.”*

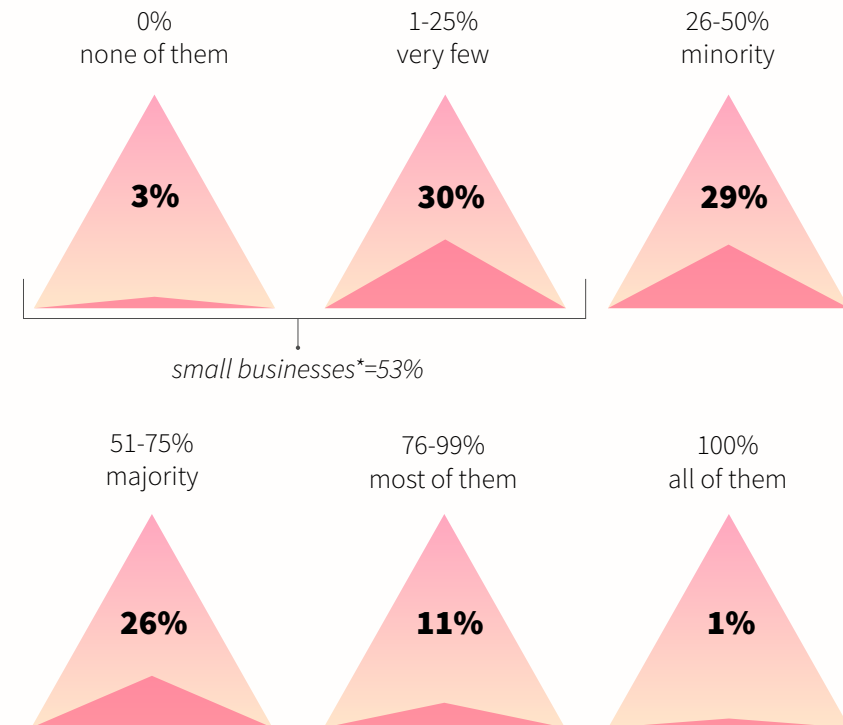
— Onder Ozcan, Senior Product Manager – ITSM at Appfire

Distributed teams pose benefits but increase challenges

As we've seen in the previous section, distributed teams are becoming increasingly common, especially as the workforce becomes more globalized. But this shift presents new challenges in ITSM, particularly in terms of security and asset management.

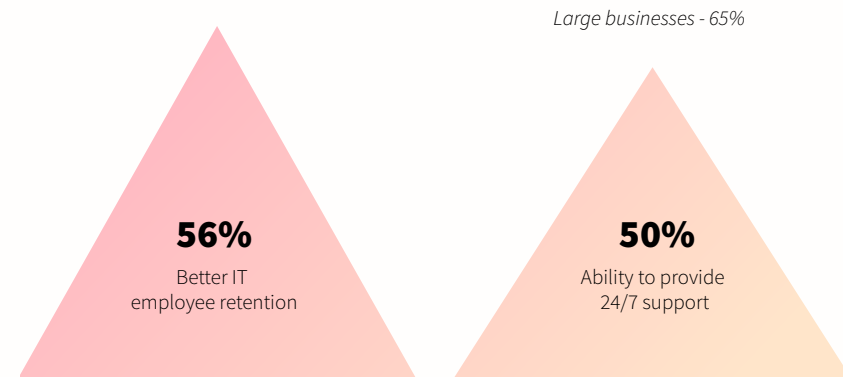
IT professionals shared that, while the majority of companies aren't completely distributed, most have distributed teams.

Percentage of companies with distributed employees

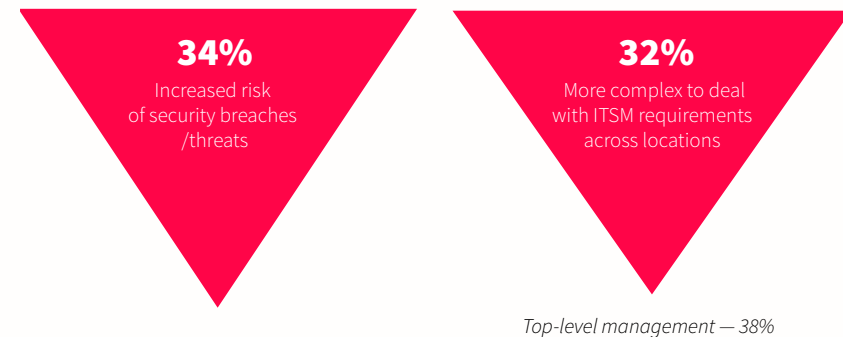


Despite these challenges, many organizations are embracing the benefits distributed teams can offer. According to our survey data, **56% of respondents believe distributed teams contribute to better employee retention**, while **50%** say that their ability to provide 24/7 support is extremely beneficial.

Top beneficial impact of distributed teams



Top negative impact of distributed teams

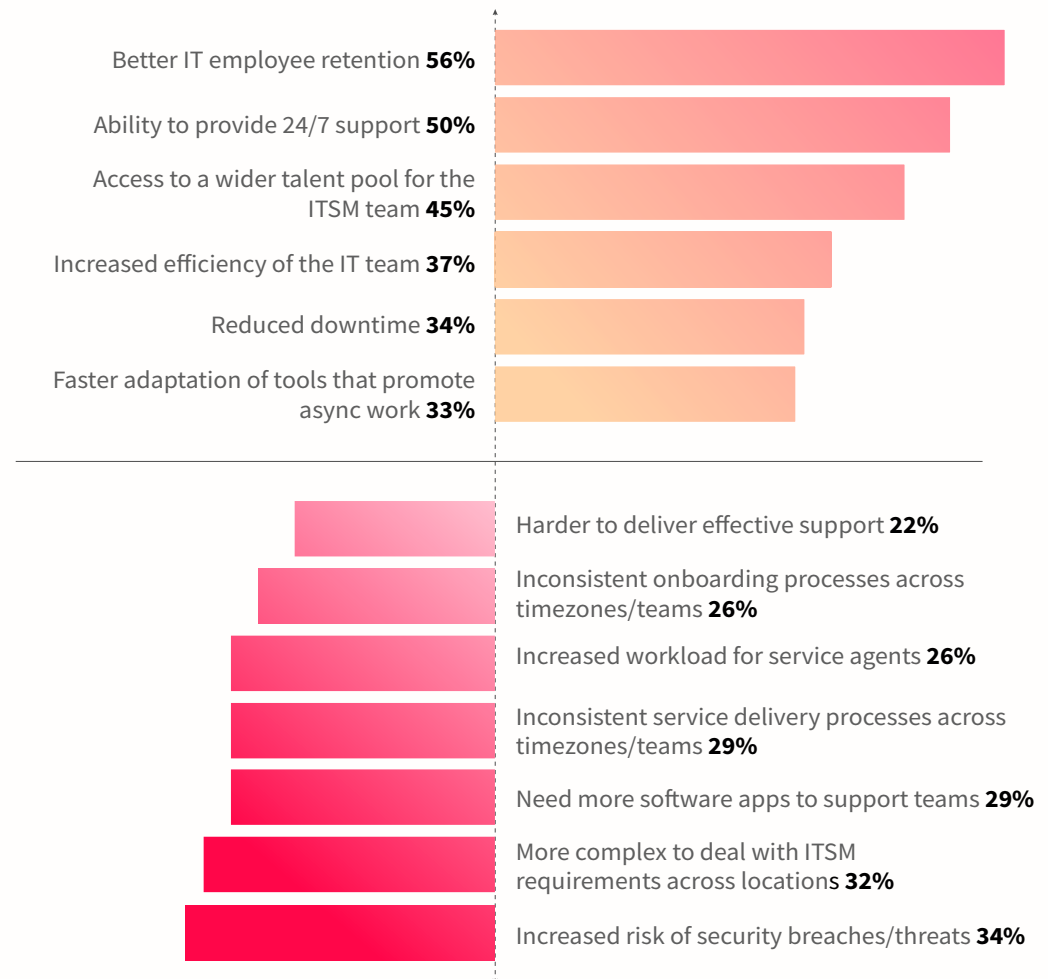


On the other hand, distributed teams can also present challenges including communication barriers, difficulty in managing workloads across different time zones, and the potential for security breaches. **29% of surveyed respondents state “inconsistent service delivery processes across teams and timezones” as a significant drawback to distributed teams.**

In light of this, organizations need to adapt their ITSM strategies to accommodate these challenges and leverage the benefits that distributed teams offer. This can mean adopting collaboration and communication tools that facilitate effective communication and work coordination, as well as ensuring that security measures are in place to protect sensitive information.

To better illustrate the potential benefits and drawbacks of distributed teams, we’ve prepared a comparative chart based on our survey findings.

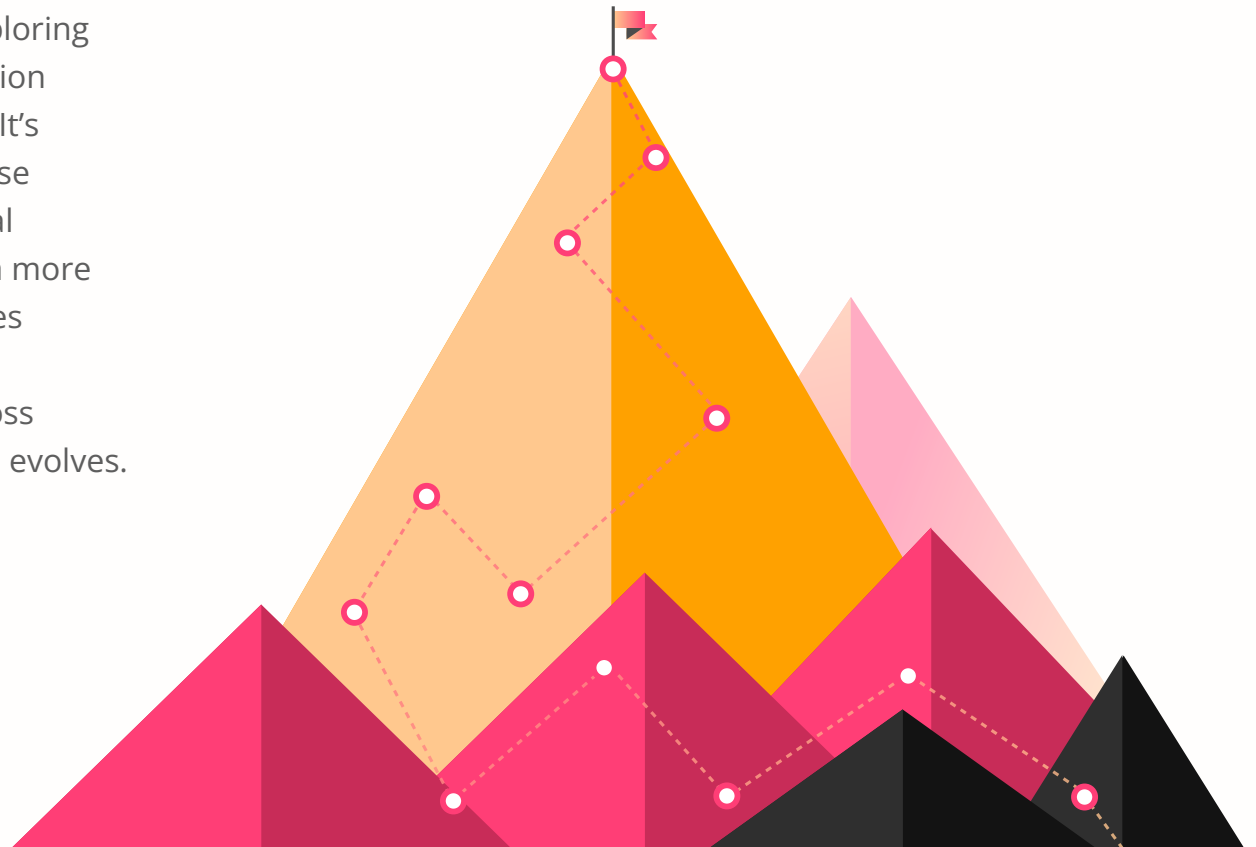
Benefits



Drawbacks

As shown above, distributed teams have both positive and negative impacts on IT organizations. On the positive side, they offer **benefits like better IT employee retention, 24/7 support, and access to a wider talent pool**. But they also bring **challenges like increased security threats and complexity in managing ITSM requirements across locations**.

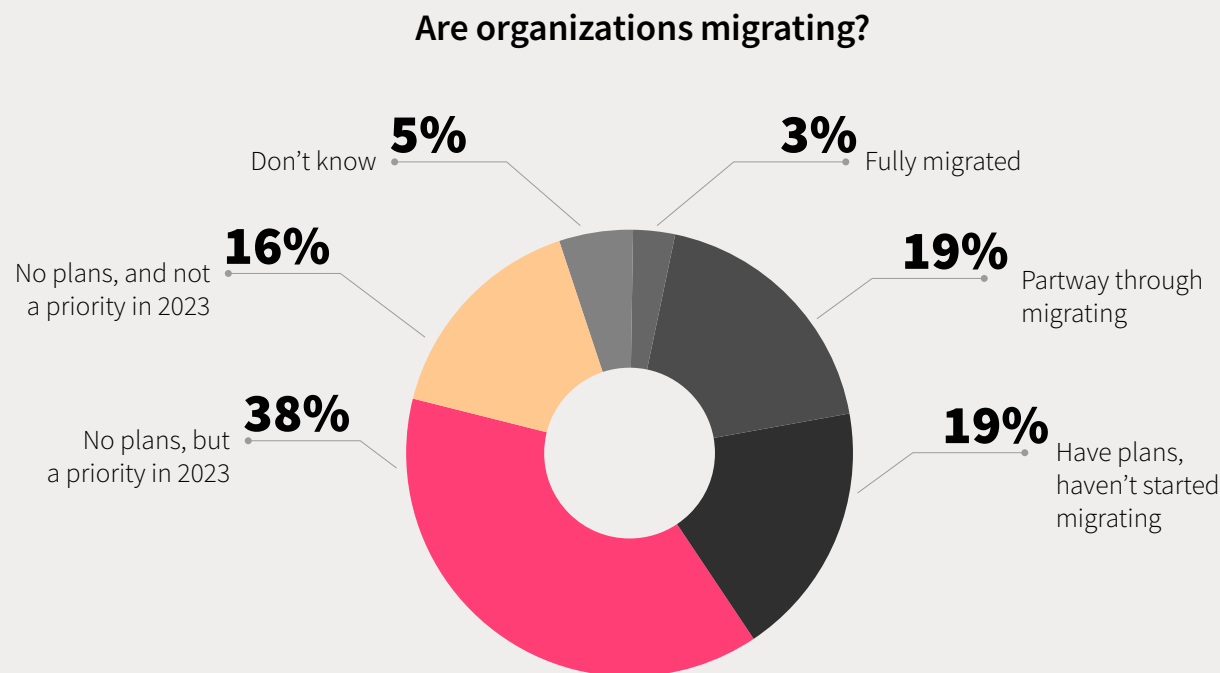
To address these challenges, IT teams are exploring new applications, hardware, and communication channels that can support distributed teams. It's important for companies to be mindful of these challenges and take steps to mitigate potential risks, whether they're interested in pursuing a more distributed team structure or not. This includes prioritizing security measures and developing processes to manage ITSM requirements across locations as the status quo for team structure evolves.



Moving on from self-hosted servers

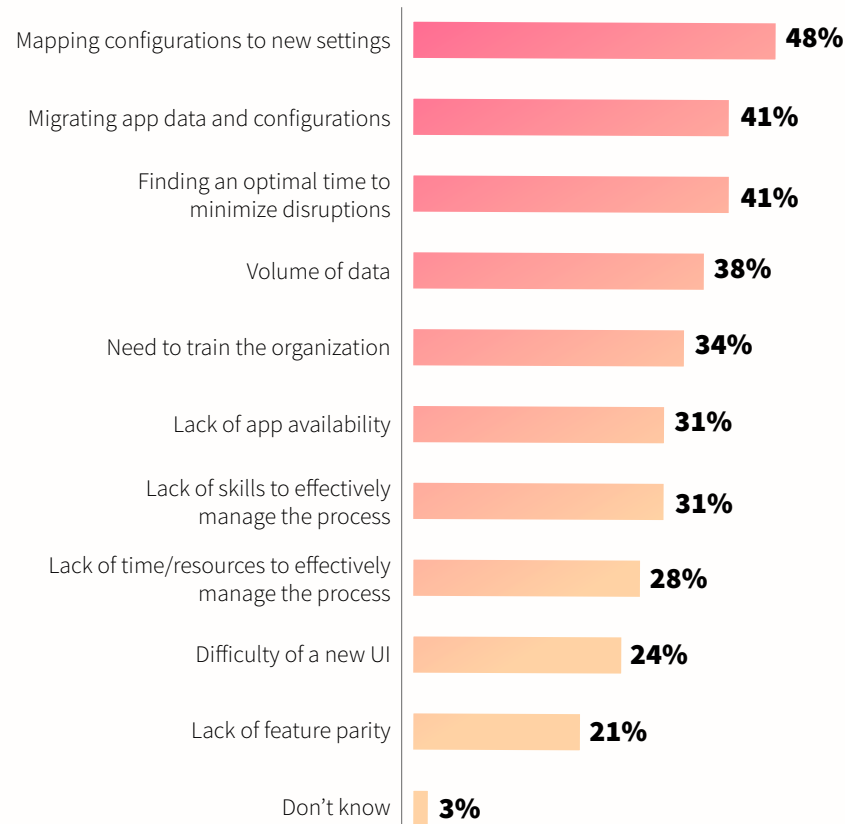
With the increasing popularity of cloud and data center (DC) solutions, as well as ITSM software giants like Atlassian approaching [server end of life](#), many businesses are facing the question of whether or not to migrate from their current self-managed servers.

Although cloud and data center solutions provide benefits like increased flexibility and scalability, our survey found that more than half (54%) of the surveyed businesses who are still self-hosted either have no plans to migrate or don't prioritize it. Specifically, 16% of those respondents said it's not a priority for their organization, while 38% reported having no plans to migrate but acknowledged it as a priority.



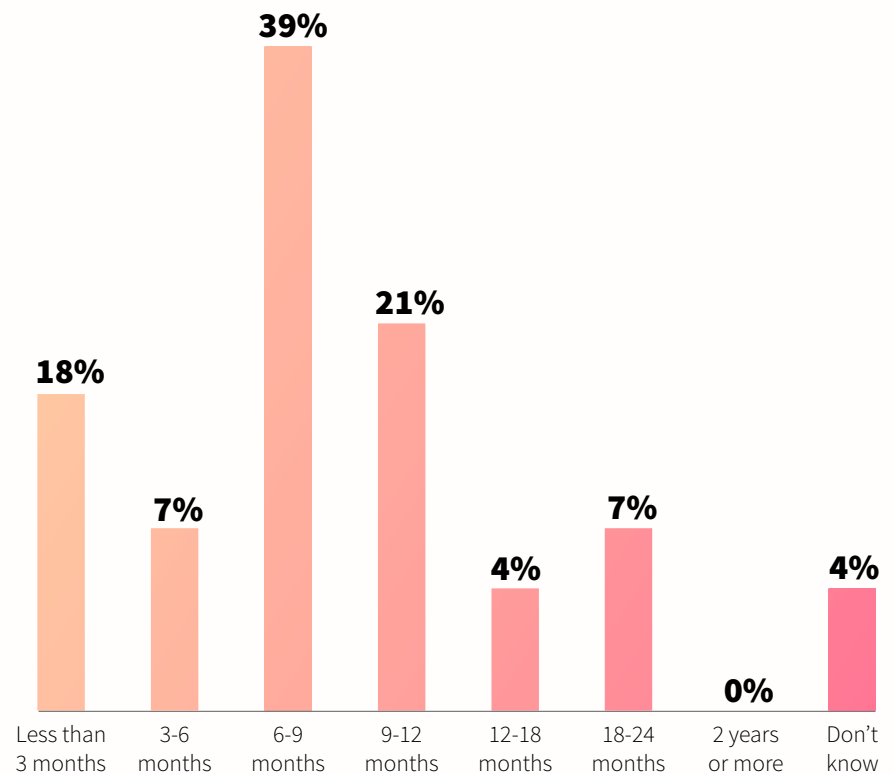
For those who have migrated or plan to do so, they face challenges like mapping and migrating configurations, finding the right time to switch, and the volume of data to be migrated. They'll also need to train the organization to use new systems.

What are the most significant migration challenges faced by organizations?



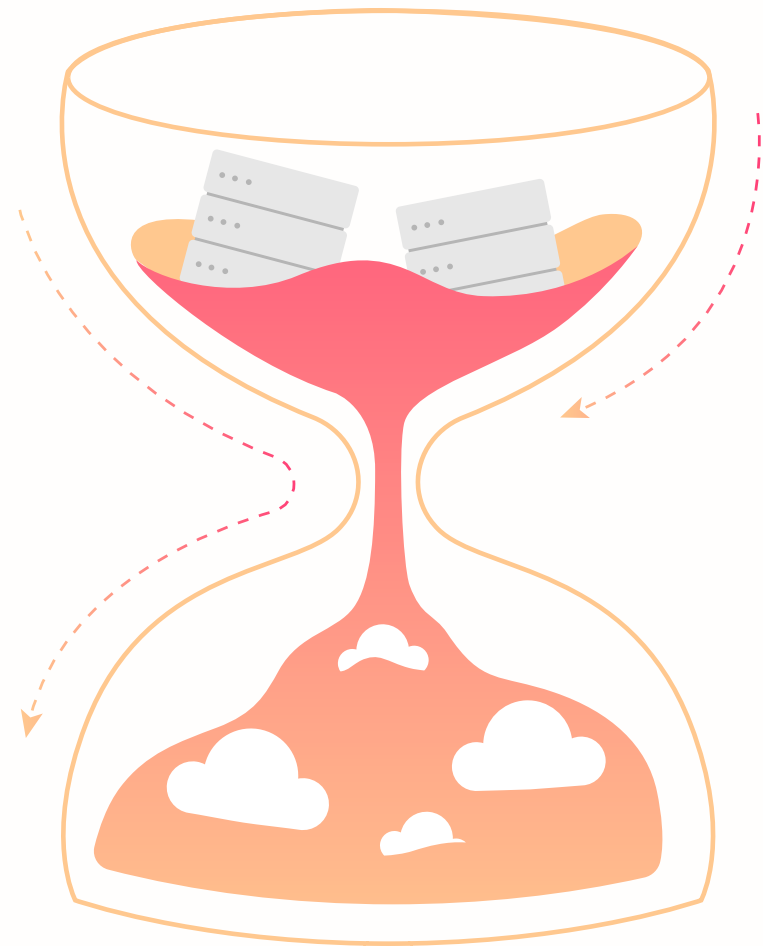
Given the potential challenges of migrating from self-managed servers, it's crucial for businesses to carefully consider the timing of their migration. In fact, timing can be the difference between a successful migration and one that disrupts operations and causes significant setbacks.

How long are companies expecting migrations to take?



Our survey revealed some surprising findings on the timeline businesses expect for migration. **While 39% of those surveyed thought that migrations would take only 6-9 months, a concerning 18% expected migration to take less than three months.**

While industry experts are working hard to educate companies about migration, Atlassian's server end-of-life countdown clock is putting added pressure on solutions partners to convey just how much goes into a migration, especially one of significant size and scale.



“

*Migrations are sometimes straightforward. But we've seen in our work with organizations that there are often unforeseen considerations that require extra buffer time in the planning and discovery phase. That's why we recommend that leaders, at the very least, start their migration planning **as soon as possible** (even if they intend to take a phased approach). The point is, there is less time than we think to properly migrate important data and processes. **Six months might not be enough.**”*

— Clayton Chancey, Solutions Architect at Cprime

We've spoken with [several experts](#) who all share the same sense of urgency around migrating. So, while the need to migrate might not seem urgent, Atlassian's server end of life in 2024 serves as a reminder of the looming inevitability of the industry moving away from self-managed servers.

Businesses understandably want to protect their data and be careful about where they host it, but the risks of using outdated tools and software/hardware make migration a necessary step. It's important for businesses to be aware of the change and start planning for it now to ensure a successful migration in the future.



Unlocking opportunities for growth

Having explored the challenges that business's face in an evolving ITSM landscape, it's time to shift our focus to the opportunities that arise from these challenges. By addressing these issues head-on, businesses can unlock new growth and success in their operations.

Challenge

76%
of organizations
are not completely
satisfied with their ITSM
processes.

Less than half of the
organizations surveyed
have implemented
automation, despite the
benefits it offers.

Opportunity

By investing in
automation and
creating clear SLAs,
businesses can
significantly increase
efficiency and reduce
incident resolution
times. This can result
in cost savings and a
more streamlined ITSM
process overall.

Challenge

51%
of respondents
believe that the rise of
employees working in
unsecured locations
has increased their
business's vulnerability
to security breaches.

43%
say that the increased
use of personal devices
has increased their
business's vulnerability
to security breaches.

Opportunity

With proper tools and
processes in place,
businesses can better
manage the security
risks associated with
remote work and
distributed teams,
ensuring that their
assets and data are
stored securely. This
not only protects the
organization and its
customers, but also
builds trust in the
brand.

Challenge

66%

of employees work remotely at least some of the time.

Opportunity

Embracing a distributed workforce can increase productivity, reduce overhead costs, and foster a more diverse and inclusive workplace. But businesses should be mindful of potential security risks and update their processes, hardware, and software to create a secure and efficient remote work environment.

Challenge

54%

of businesses that are still self-hosted have no plans to migrate to cloud or data center solutions.

Timing can be the difference between a successful migration and one that disrupts operations.

Opportunity

By planning ahead and carefully considering the timing of the migration, businesses can successfully transition from self-managed servers to cloud or data center solutions. This can result in increased flexibility, scalability, and cost savings in the long run.

Looking ahead: Action steps for evolving ITSM processes

As technology continues to advance and business environments become more complex, it's essential for companies to adapt and evolve their IT service management processes. In this report, we've examined the challenges and opportunities that businesses face in today's ITSM landscape.

Now, we'll take a look at some actionable steps and best practices that can help companies successfully navigate this changing landscape and achieve ITSM success.



Evaluate your current ITSM processes.



Take a critical look at your current ITSM processes to identify areas that can be improved. Consider using automation and other emerging technologies to streamline your processes.

Invest in security.



With the increase in remote work and the rise of cyber threats, it's more important than ever to invest in security measures to protect your organization. Consider partnering with a trusted security provider or implementing best practices like two-factor authentication and regular security training for employees.

Adopt a customer-centric approach.



By placing the customer at the center of your ITSM processes, you can improve customer satisfaction and retention. Consider implementing tools such as self-service portals, proactive communication, and AI to enhance the customer experience.

Customize tools to fit your needs.



Don't settle for one-size-fits-all solutions. Customize your ITSM tools to meet the unique needs of your organization. This can help improve efficiency and ensure a better return on investment.

Find the right solution partner.



A solution partner can help you identify gaps in your ITSM processes, recommend solutions, and assist with implementation. Look for a partner with experience in your industry and a proven track record of success.

Embrace the cloud.



As more organizations move to the cloud, consider adopting cloud-based ITSM tools to improve scalability and reduce costs. But remember, it's important to verify that the cloud provider has strong security measures in place.

Keep up with industry trends.



Stay informed about emerging trends and technologies in the ITSM industry. Attend conferences, tune into webinars, read industry publications, and network with peers to stay ahead of the curve.

Prioritize employee training.



Invest in regular training and development opportunities for your IT team to keep their skills up to date and ensure they're equipped to handle emerging technologies and processes.

Foster a culture of innovation.



Encourage your team to experiment with new technologies and processes to continuously improve your ITSM practices. Celebrate successes and learn from failures to foster a culture of innovation and continuous improvement. (Do keep an eye out for ["shadow IT,"](#) though!)

Measure and track success.



Implement metrics to measure the success of your ITSM processes and track progress over time. Use this data to identify areas for improvement and make data-driven decisions about future investments. Measuring and tracking success enables IT teams to communicate their strategic function and can help you make the case for more adequate funding.

Methodology

The Future of ITSM: Navigating industry change with confidence is based on data from an independent quantitative study conducted by research consultancy [Adience](#), which surveyed 166 IT decision-makers by telephone and online in March 2023. Adience specializes in conducting global B2B market research.

These decision-makers were carefully selected to represent a mix of:

Countries:

Adience conducted interviews with decision-makers in the United Kingdom, the United States, Canada, and Spain.

Sizes:

The survey prioritized businesses with 500 or more employees. 32% of those surveyed have more than 5,000 employees. Another 35% have 1,000-5,000 employees.

Industries:

Respondents represented the following verticals: SaaS, IT hardware, industrial/manufacturing, financial services, healthcare/pharmaceuticals, education, professional services, retail/e-commerce, and transportation/logistics.

Roles:

Only qualified decision-makers at manager level or above were surveyed, and 23% of the interviews were with C-level decision-makers or business owners.

About the authors

Cprime is an industry-leading, full-service global consulting firm that provides integrated solutions around digital transformation, product, cloud, and technology. With over 20 years' experience, our team of experts meet organizations where they are to solve business challenges. Our mission is to empower visionary business leaders and teams to reimagine the future of work to achieve better outcomes. Learn more at www.cprime.com.

Appfire is the leading enterprise collaboration software provider that makes work flow any way teams want to work, from planning to product ideation, to product development, project delivery, and beyond. Appfire gives teams the best solutions to enhance, augment, connect, and extend platforms like Atlassian, Salesforce, Microsoft, and monday.com, enabling teams to thrive and do their best work together. Many of Appfire's popular software products are sold on the Atlassian Marketplace, where Appfire has the most widely adopted portfolio of Atlassian apps with 200,000+ active installations across tens of thousands of customers worldwide. Appfire's popular solutions help teams with Workflow & Automation, Product Portfolio Management, IT Service Management, Document Management, Business Intelligence and Reporting, Administrative Tools, Agile Tools, Developer Tools, Time Tracking, Publishing, and Visual Collaboration. Learn more at www.appfire.com.

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