

Benefits of the Cloud

For outsourced help desks
and managed service providers



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Benefits of the Cloud For Outsourced Help Desks and Managed Service Providers

According to Gartner, about 10 percent of enterprise IT organizations are currently using Software as a Service (SaaS) for IT service management. In five years, this number will grow exponentially to include about 50 percent of the market. This paper will explore the benefits of using SaaS for ITSM for companies looking to outsource their help desk organization, as well as for the Managed Service Providers (MSP) themselves.

Business Point of View	Managed Service Provider (MSP) Point of View
<ul style="list-style-type: none"> • Transparency 	<ul style="list-style-type: none"> • Predictable Cost Model
<ul style="list-style-type: none"> • Portability 	<ul style="list-style-type: none"> • On Boarding and Administration
<ul style="list-style-type: none"> • Control 	<ul style="list-style-type: none"> • Portability

Figure 1. Benefits of SaaS for ITSM

Cloud Benefits for the Business

For organizations looking to outsource the help desk staff and technology, choosing a service provider that offers a service management platform in the cloud is critical. There are several key business benefits of using cloud services for ITSM, including:

Transparency	<ul style="list-style-type: none"> • Full data access • Maintain responsibility and confidence
Portability	<ul style="list-style-type: none"> • Retrieve data anywhere, at anytime • Easily accessible • Long-term flexibility
Control	<ul style="list-style-type: none"> • Ability to measure vendor service level performance • Access when you want it

Figure 2. Benefits of SaaS for ITSM – Business Point of View

Transparency

The number one reason to choose SaaS for ITSM is to maintain complete transparency into your data. Just because you have chosen to outsource the help desk, does not mean the responsibility of its success or failure is also transferred to the MSP. Your department is still responsible for providing valuable IT service to the organization. It is critical to maintain an unobstructed, unfiltered view into your service management performance. Full, easy access to data and metrics keeps you informed and confident in the quality of the service you provide to the business at all times.

For the IT team at Kimberly-Clark, the transparency of critical metrics realigned their dual outsource model and streamlined their efficiency. Chad Whaley, lead of the framework team at Kimberly-Clark, recalls how the increased visibility of switching to an ITSM tool in the cloud impacted their department's priorities:

The cloud frees IT professionals from a burdensome dependency on gatekeepers, report writers and legacy tool specialists.

ServiceNow “really brought transparency to how well we’re executing, where there’s opportunities for improvement, and whether or not incidents are extending beyond what they should. It brought all this information to the forefront for us and made it extremely visible not only to management, but to the people doing the work. It’s a lot easier to understand where your priorities are if that service level agreement is right in front of you.”

Portability

An inherent characteristic of the cloud is the ability to retrieve data anywhere, at anytime without creating a major project for IT managers and staff. When data is stored in the cloud, it is easily and readily retrievable from anywhere, in the format that meets the needs of the people consuming it. The cloud frees IT professionals from a burdensome dependency on gatekeepers, report writers and legacy tool specialists.

Additionally, if at any point you need to make a major change in your organization, switch suppliers or extract information, using a SaaS for ITSM tool will make the process immediate, efficient and pain free.

The portability of the cloud is also very important for a work force that’s constantly on the move. The world is growing smaller by the second and people are traveling for business more and more. A large percentage of us rely on our smart phones and tablet devices to get work done while traveling.

John Vasconcellos, director of IT governance at SanDisk, recalls that his team couldn’t use their previous tool while traveling because workflow was “so slow.” With the inherent portability of cloud services from ServiceNow, he and his team are able to work anytime, anywhere, for which he credits a faster service delivery. John said, “There is less excuse for things not getting viewed, not being approved, not even being looked at now.”

The flexibility and accessibility of the cloud will only become more essential to efficient business in the future.

Control

If you end up using a legacy, on-premises tool managed by a MSP, your ability to effectively manage services is instantly limited. Legacy technologies restrict access and make it next to impossible to retrieve your own data. Essentially, your destiny is handed to the MSP with no checks and balances, and little grounds for recourse. You could be leaving the fox to watch the henhouse if the application and its data are owned by the MSP.

With the cloud, you maintain control of your data. This control is essential for businesses to effectively manage services and service providers. Insist on controlling service-level metrics to manage, measure and track the outsourced help desk. The business must reserve the right to make changes to the tool and to the process that benefit the business.

John recalls what life was like at the mercy of a legacy tool:

The IT team was “very frustrated. They couldn’t find what they wanted. They couldn’t categorize things properly. They hated it. They couldn’t get the metrics they wanted and management couldn’t get the reports that they wanted.”

Once John and his team switched to SaaS for ITSM and control was put back in their hands, things changed. They were able to measure their own progress, hold their vendor accountable—and most importantly, for the first time felt they were on the same page as their MSP:

ServiceNow “has opened up opportunities for allowing us to measure ourselves. We’re able to put SLAs in place now with our outsourced vendors so we can measure them and understand how they’re performing. It’s always been, ‘We think you’re doing okay but we’re not really sure.’ Now we know exactly and we’re all talking the same language. That has been really helpful.”

The built-in, automatic upgrades available with SaaS completely eliminate the pains of unpredictable upgrade costs and surprise product sunsets to keep overall tool costs right where you planned them to be.

Get More of What You Want, and Less of What You Don't

Outsourcing can be a great approach to lowering expenses in any organization. In fact, some of the largest consumers of SaaS and cloud services are MSPs. But when you do outsource, it is imperative to retain control over service management or risk an unmanageable relationship and inconsistent service expectations.

Cloud Benefits For the Managed Service Provider

For the Managed Service Provider (MSP), choosing to offer your customers ITSM in the cloud rather than a legacy tool has several advantages for your business, the most important of which is improved profit margins.

Predictable Cost Model	<ul style="list-style-type: none"> • Overall cost predictability • Hassle free upgrades at no additional cost • Full suite of applications at one subscription price
On Boarding and Administration	<ul style="list-style-type: none"> • More efficient implementation • No need for legacy tool specialists • Streamline processes; no swivel-chair integration
Portability	<ul style="list-style-type: none"> • No software or hardware cost • No migration or upgrade issues

Figure 3. Benefits of SaaS for ITSM – Managed Service Provider Point of View

Predictable Cost Model

As a MSP, cost predictability and opportunity to grow are paramount. Using a subscription-based cloud service allows you to focus more on the things that matter and less on the things that don't. A single subscription provides access to an organically developed, born-in-the-cloud suite of applications. Most cloud services are continually improved through several hassle-free, automatic upgrades that don't require additional work by the outsourcer.

On the other hand, legacy vendors routinely force you into expensive, invasive and drawn-out upgrades that typically break customizations, create re-work and force tool end-of-life scenarios. The built-in, automatic upgrades available with SaaS completely eliminate the pains of unpredictable upgrade costs and surprise product sunsets to keep overall tool costs right where you planned them to be.

SaaS for ITSM also provides all services and applications at one flat price, regardless of what specific tools each of your clients may need. You are playing with a full deck of cards at all times and don't have to worry about buying additional tools if a customer need arises. Get access to all the tools you need or might need and don't worry about additional implementation cost, license inflation or upgrades.

On Boarding & Administration

Choosing SaaS for ITSM also makes the process of outsourcing more efficient and cost effective. The cloud has unrivaled success in delivering implementations on time and on budget, saving outsourcers up to 70% in on-boarding costs. Stacey Bailey, director of service improvement for SunGard Higher Education (HE), is in charge of providing IT services to more than 80 higher education campuses and universities across the country. She recalls the speed at which they were able to implement and go-live with ServiceNow:

“A total of 45 business days passed from the first time we uttered ‘ServiceNow’ to the time we went live with our first client. We nailed the go-live down to the day...”

The cloud also cuts down on the weight of ongoing administration costs by eliminating the need for legacy tool specialists. Applications in the cloud are easily configurable and require no hard-to-find, specialized professionals to provide maintenance. MSPs can now focus on delivering great service to customers and let the tool vendor worry about the care and feeding of the application.

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Additionally, ITSM in the cloud is organically developed on a single Web-based platform. Process automation built around ITIL is core to the DNA of the product. Streamline complex service management efforts such as the service portfolio and service catalog to provide a consistent and modern face to the customer while eliminating the pain, inaccuracies and inefficiencies of swivel-chair integrations. For example, SunGuard uses the ServiceNow Project Management Application to track tasks for all deployments, side projects and core projects, all in one place.

Use the cloud to reduce the cost of maintaining and running your overall IT services while providing functional, automated services that are intrinsically integrated with the customer experience.

Portability

The cloud eliminates the need for software or hardware, further decreasing the cost of implementation and making your solutions extremely portable. Never worry again about migrating software or hardware—everything you need is already in the cloud, and available from anywhere on the planet.

Have Your Cake and Eat It Too

As an outsourcer, you want to provide a great level of service to your customers while keeping your costs to a minimum. Only real SaaS for ITSM lets you achieve both goals at the same time. Have your cake and eat it too—only in the cloud.

SaaS for ITSM benefits both the organization using the tool as well as the MSPs providing the tool. The cloud allows business to retain control over their data and allows outsourcers to cut costs while providing quality customer service. We invite you to take a step into the future of enterprise IT management and explore the benefits of SaaS ITSM for your organization.



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