EMA
IT & DATA MANAGEMENT RESEARCH, INDUSTRY ANALYSIS & CONSULTING

Prepared for:

SymphonyAI

ServiceOps 2024: Automation and (gen)AI-powered IT service and operations

April 2024 EMA Research Report

By **Valerie O'Connell**, Research Director
Digital Service Execution

Table of Research Findings

ServiceOps at a glance

ServiceOps (by any name) – a technology-enabled approach to frictionless collaboration between IT service and operations – is at work across industries and organizations of all sizes globally. Mainstream and high-value, ServiceOps is here to stay.

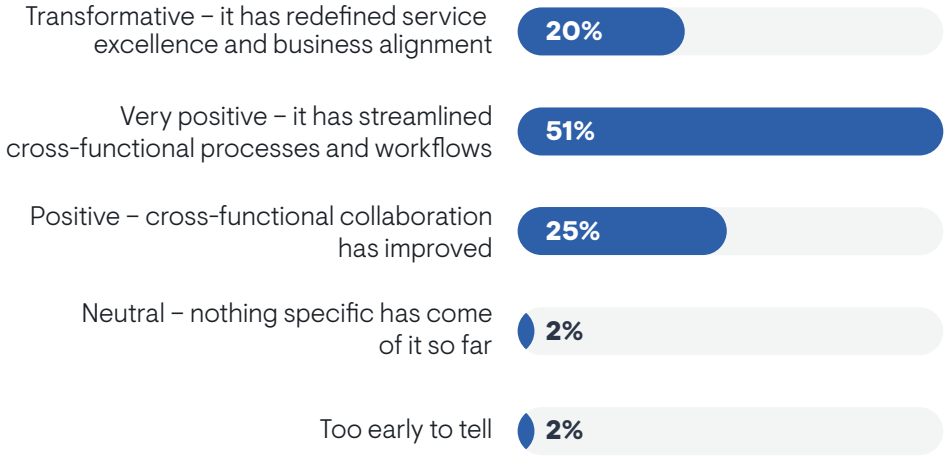
In this third annual EMA research into the state of ServiceOps, 75% of the panel report having either an active effort or a formal initiative to streamline the cross-functional working of IT service and ITOps with substantive results. Its impact is wide-ranging and almost universally positive – frequently transformative.

The adoption rate is high because the benefits are immediate, costs are low, and implementation is about as pain-free as any change can be. ServiceOps makes sense. It is practical and makes everyone's job easier without requiring major disruption in day-to-day realities. It maximizes the value of both technical capabilities and human talent, cutting waste and cost as it goes.

There is no downside:

1. **ServiceOps directly addresses many of IT's highest-priority objectives and challenges.** IT employee productivity, user experience, reduction in outage frequency/duration/impact, improved service, and cost cutting.
2. **Service agents and ITOps engineers report a significant improvement in their productivity** with less wasted time. They're able to do more with the same level of staff and morale is better in a less stressful work environment.
3. **The benefits extend beyond service and operations** to many other groups, especially security, DevOps, and end-user management.
4. **ServiceOps leverages existing investments in technology.** It is a natural outgrowth of initiatives already well underway in most organizations, especially automation, AI/ML, AIOps, and use of a platform for cross-functional workflows and unified actions.

What impact has ServiceOps had on your organization?



This report highlights findings from EMA's 2024 ServiceOps research conducted in February 2024. It fielded a panel of 415 IT leaders of organizations having between 1,000 and 10,000+ employees in North America, EMEA, and APAC. This year's results show a mix of ServiceOps maturity and revolutionary innovations to come.

ServiceOps casts a wide net

A natural bridge for a fundamental IT disconnect

IT organizations are judged and valued by the quality of service they deliver to the business. Yet, it is common for them to define an IT service in terms of specific technology areas, such as servers, database, network, and applications. This year's panel is no exception, with 68% of respondents defining an IT service along technology lines and 32% by business function.

The path of least resistance is one well-paved with years of experience. Organizing around technology lines has long been the traditional IT organizational principle. However, there is a pronounced movement toward organizing in alignment with business functions and adopting a cross-functional team approach.

Answers to the question, **"Although oversimplified, how would you describe your IT's organizational principle when it comes to service support, availability/performance, and incident management?"** broke down as follows:

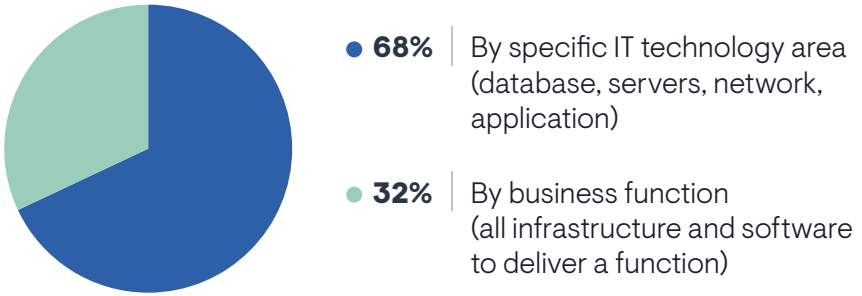
IT is organized along technology lines (network, storage, server...)

IT is organized to align with business services

Increasingly, IT is moving to a cross-functional team approach

It makes no sense to stay locked into an organizational structure that developed in more simple, centralized times – one that no longer fits the realities and requirements of business today. On the other hand, it's not easy to change the way people work. However, 64% of organizations reorganized to take advantage of advances in AI and automation (80% of CxOs favor reorganization). Twenty-five percent didn't reorganize, but greatly increased cross-functional collaboration and workflows. The remaining 11% just hired more headcount.

Generally, how does your organization define an IT service?



Workflow automation is a cornerstone of silo-busting changes and ServiceOps fits neatly into this trend, bridging organizations. It reduces friction, delay, and wasted effort in the cross-functional collaboration that serving the business requires of IT.

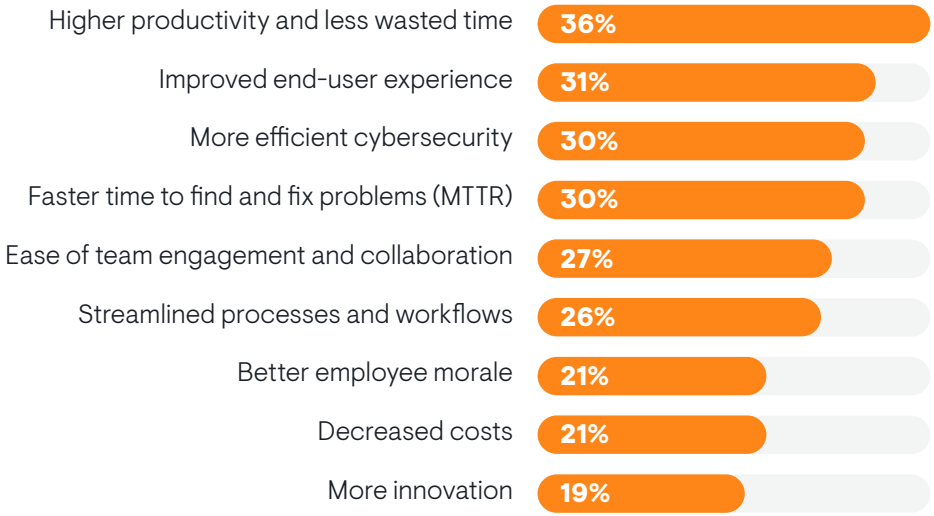
Addressing IT's top priorities

ServiceOps delivers results that matter. When IT service and operations are freed to work effectively without friction, gaps, or duplication of effort, the results map to IT's collective top priorities: higher productivity/less wasted time (good for efficiency, cost conservation, and employee morale), improved user experience (always key, but especially in work-from-anywhere times), more efficient cybersecurity (an urgent C-level priority that transcends functional barriers), and faster time to find and fix problems (reducing MTTR cuts the duration and impact of incidents/outages, which in turn cuts costs).

A powerhouse gain hides within the deceptively simple benefit "ease of team engagement and collaboration." In recent EMA global research on incident management, participants were asked to name the single biggest contributor to MTTR. The "winner" was "team engagement, communication, and collaboration." It was also the least automated and least effective process.

What's more, in that same research, the question, "What percentage of the MTTR is inactive time spent waiting for information or response?" returned an almost shocking amount of wasted time: 27% of respondents said that MTTR is 50% or more wasted time and 42% of the panel pegged the waste at 25%. ServiceOps' facilitation of team engagement and collaboration can drop straight to the bottom line.

What are the results when service and operations are effectively unified (ServiceOps)?



Fifty percent of organizations with mature ServiceOps initiatives in place (more than two years) report IT service quality as outstanding, compared to 29% 1-2 years and 18% new initiatives.

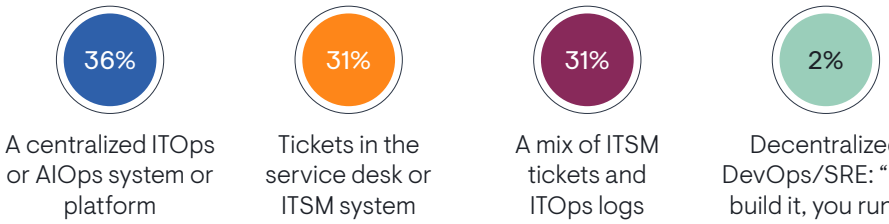
IT service management's top goals

The basic nature of ServiceOps aligns with the top improvements and goals of IT service: better processes for interaction with other teams and automation of those processes. Those goals also held first ranking last year, although CxOs currently name automated workflows and self-service.

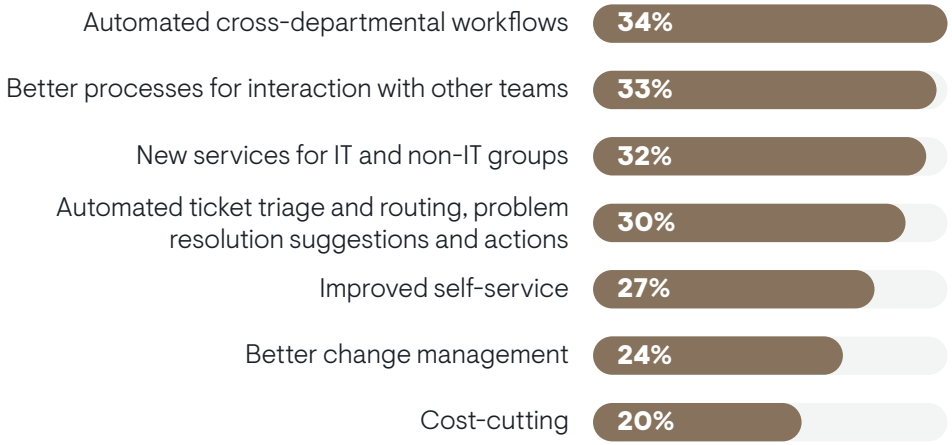
EMA research consistently supports the proposition that ServiceOps, or any meaningful cross-functional efficiency and collaboration, requires use of unifying platforms. This year, 100% of the organizations that have mature ServiceOps initiatives in place also have an enterprise-wide approach to platform use. For the purposes of this survey, "platform" was defined as a group of technologies (usually software, frequently vendor supplied) that together form a base on which other applications, processes, and technologies can act or interact.

The quick and efficient exchange of information that ServiceOps promotes is especially important in the arena of incident response. Although monitoring tools and proactive systems do a good job of surfacing issues, EMA research regularly finds that reports from users or service desk complaints still account for roughly 30% of incidents. When something goes south, IT service and ITOps work together – along with other teams – to resolve issues, restore service, and make improvements.

Which statement best describes incident tracking in your organization? Incidents can originate from users or monitoring systems, but they are created and tracked primarily through...



When it comes to IT service (ITSM/service desk) what are the top improvement/goals in the next 6 to 18 months? Select two.



Use of a platform underlies all advances in cross-functional workflows and automation.

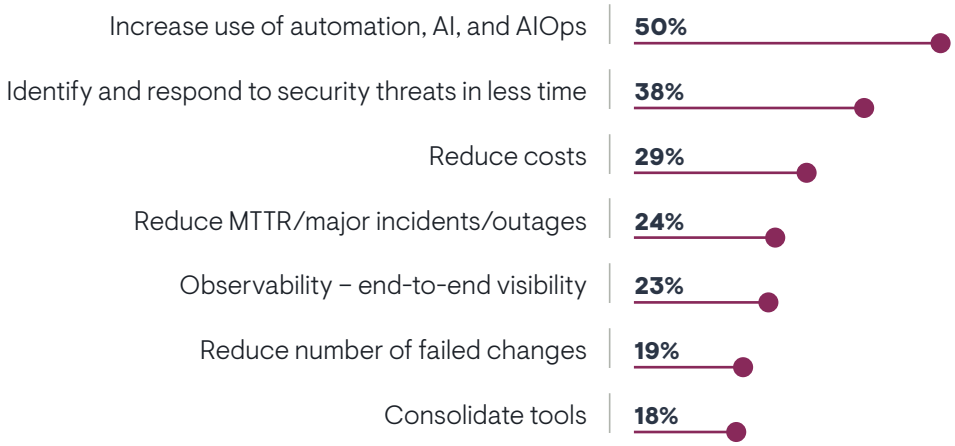
ITOps' top goals

In 2023, the top ITOps improvements and goals for the next 6-18 months in order were: "reduce major incidents/MTTR," "reduce costs," and "faster security response." This year, "increased use of automation, AI, and AIOps" raced to place first in the list of ITOps' near-term priorities.

This marked elevation of the AI/automation combination reflects several factors, including an increased level of experience with the technologies. EMA research finds that IT automation initiatives have a very high success rate and a strong return on investment. Success breeds success and increased adoption. An additional factor this year is the global anticipation of the game-changing potential that GenAI holds for IT.

When use of automation and AI is increased, all the other goals are addressed as well. The combination greatly improves both cybersecurity and IT incident responsiveness, increasing the effectiveness of all teams involved and cutting costs in the process.

What are the top ITOps improvements/goals in the next 6 to 18 months? Select two.



For 78% of the panel, the impact of unplanned work is high or significant: 26% report the impact as high (loss of more than 25% productivity) and 52% report it as significant (10%-25% loss of productivity). ServiceOps' efficiencies cut wasted time and effort, which increases productivity and decreases unplanned work.

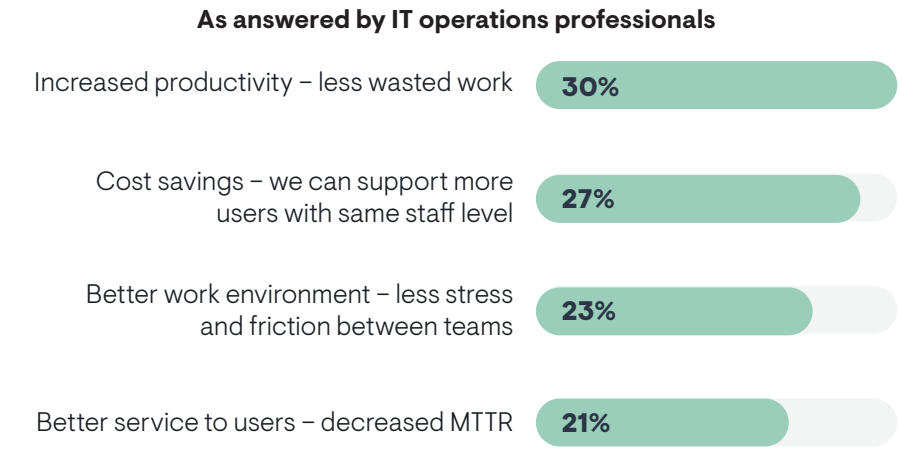
A view from the front line

The old saying, "The grass is always greener on the other side of the fence" doesn't hold true when it comes to ServiceOps. The question of which team benefits the most from ServiceOps is "both teams benefit equally" according to the majority of respondents. However, when a difference is noted, it is always in the respondent's favor. Service desk agents say that service benefits more than ITOps and engineers say that ITOps gained more from ServiceOps than their colleagues in service.

A closer look at the win/win benefits of ServiceOps shows that the top result is "increased productivity – less wasted work" for both teams. In fact, the only significant difference is in the second-place top benefit. IT service professionals chose "better service to users – faster and more accurate" while respondents from the ITOps side of the house valued the cost-saving ability to support more users with the same staff level.

ServiceOps makes sense to the frontline professionals whose work lives improve with friction-free collaboration. AI-curated information and automated workflows deliver practical advances that make work more productive and enjoyable. These down-to-earth benefits fuel the adoption and expansion of ServiceOps.

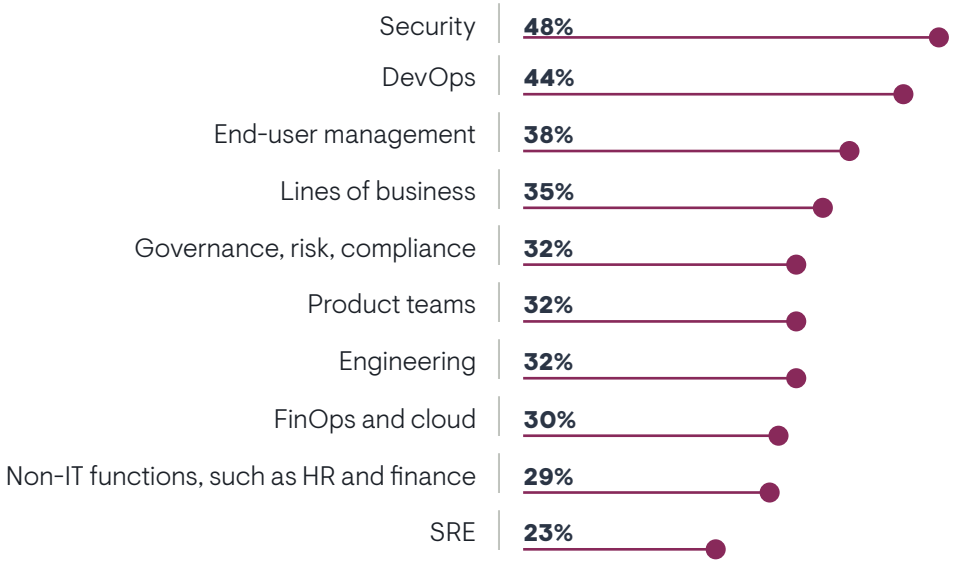
How does ServiceOps benefit the service desk agent?



Beyond IT service and ITOps

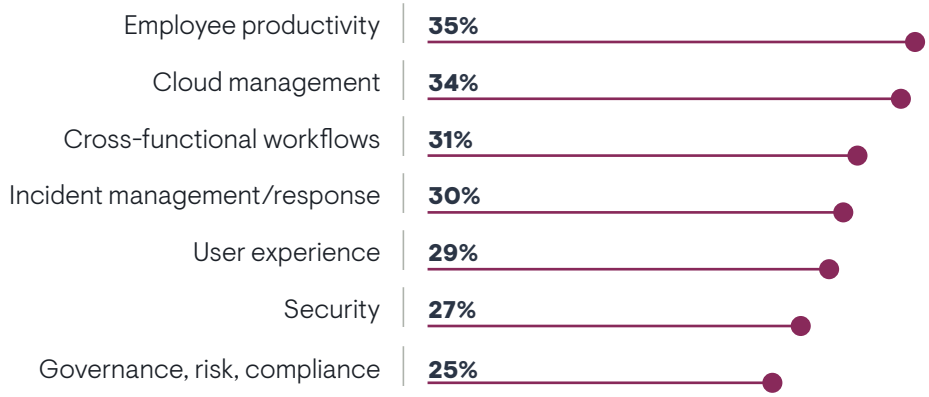
Although the central focus is on collaboration between IT service and ITOps, the benefits of ServiceOps extend well past those teams. Security and DevOps head a long list of beneficiaries this year as well as in 2023. The efficiencies that smooth the service operations machine extend naturally to other cross-functional efforts. In fact, collaboration tends to become the norm wherever ServiceOps takes root.

Which teams other than service and operations benefit from coordination of service and operations?



The extensive reach of ServiceOps' benefits is evident in the top use cases and areas of benefit. The top areas named are those that are cross-functional by nature. For example, employee productivity is a brew of many factors, as is user experience. Incident response and security tend to be matters that can call all hands on deck, while cloud management is a challenge that doesn't neatly live in only one silo.

Which areas or use cases benefit most from coordination of service and operations?



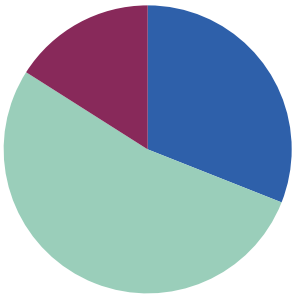
All major IT activities and responsibilities benefit from cross-functional workflows and collaboration, which form the core value proposition of ServiceOps.

ServiceOps implementation

ServiceOps maturity

ServiceOps is a relatively young movement. Only 31% of this year's panel have implementations that are more than two years old, which is considered "mature" for purposes of analysis. Typical of most IT initiatives, mature ServiceOps implementations return more benefits at a higher level than do those earlier on the path. For instance, 50% of the mature ServiceOps group reported IT service quality as "outstanding" compared to 29% in the 1-2 year group and 18% new. Benefits increase with experience.

How long has ServiceOps been underway in your organization (either formally or informally)?



- **31%** More than 2 years
- **53%** 1-2 years
- **16%** Less than one year

Degrees of unification

IT service and IT operations are different in charters and skillsets. Like flip sides of a coin, their unification does not diminish their distinctives. Top-caliber IT service quality requires both sides to be at their best. By removing obstacles to collaboration, ServiceOps frees each team to focus their energies on their sphere of responsibility.

There is no single best way to organize. Responses to the question, **"What is the ideal level of ServiceOps unification of service and operations?"** ranged between complete separation and merging of the teams, with the middle ground of simplified coordination taking the lead.

Coordinated: simplified coordination and workflows

Merged: shared reporting structure, systems, and business goals

Separate: different skillsets and tasks require separation

In reality, most organizations find a mix of elements that work best in their environment. However, in all cases, a critical organizational factor is shared business objectives and key metrics. Teams that have competing or conflicting goals can't effectively partner. So, management and organizational support are as essential to ServiceOps as any technology enablement.

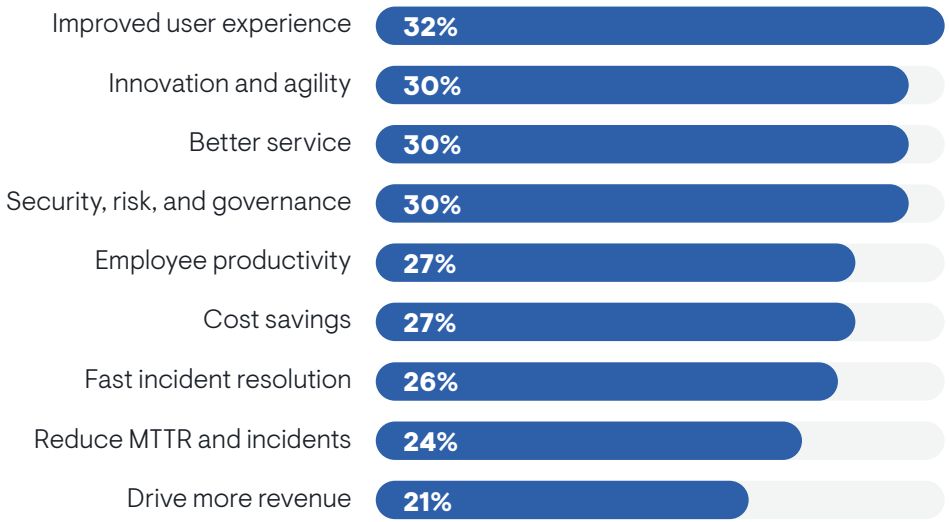
Adoption and expansion

ServiceOps frequently starts at the grassroots level. Forward-thinking professionals quickly spot the potential of automated workflows and shared knowledge to clear the clutter of conflict. As the benefits of collaboration become clear, senior management support and budget soon follow.

There is no shortage of reasons to adopt ServiceOps and expectations are matched or surpassed by results. The tightly grouped list of reasons for adoption is a mix of people-related gains (such as improved user experience, innovation, and better service) and goals that have high business impact, including security, employee productivity, and cost savings.

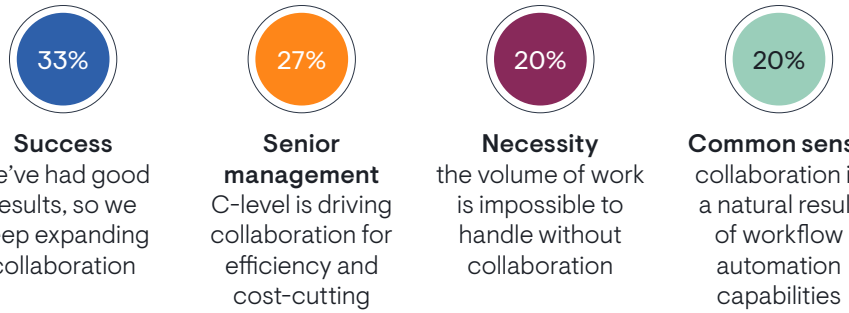
The fact that "fast incident resolution" and "reduce MTTR and incidents" both made it into the top ten indicates a high-value benefit. When IT service and operations work well together, there is a sharp reduction in the frequency, duration, and impact of disruptions to IT performance and availability.

What are the top two reasons your organization adopts ServiceOps? Select two.



Once put in play, ServiceOps initiatives expand in scope and depth, offering more automations and knowledge sharing to a wider audience. Teams find additional ways to work smarter and better. Not surprisingly, the top reason for increasing collaboration is success. When something works well, smart people find more ways and places to use it.

Which statement best describes the reason for service and operations to increase collaboration in your organization?



The combination of "necessity" and "common sense" makes practicality a prime mover behind expansion, as is C-level, results-driven support.

Obstacles and accommodations

As with any major initiative or change, ServiceOps faces some challenges. Many of the challenges are those commonly cited as impediments to high-quality IT services in general, especially "data access and accuracy," "legacy systems," and "resources (budget and headcount)." In practice, ServiceOps doesn't require much in the way of additional resources. It maximizes employee productivity, making it possible to do more with the same headcount by leveraging investments in automation, AI, and knowledge technology.

Obstacles that do legitimately belong to ServiceOps are those that directly impact the ability of teams to productively collaborate. It is difficult to coordinate activities and impossible to automate workflows in the absence of standardized processes. A sure way to defeat cooperative efforts is to hand teams competing goals and priorities.

A look at obstacles by ServiceOps maturity level underscores the importance of organizational issues. For mature ServiceOps initiatives (more than two years in place), "competing goals and priorities" comes second after "legacy systems." It lands sixth on the list of obstacles for younger implementations in the 1-2 year range. This difference is because new initiatives are not far enough along to experience the corrosive effect of competing goals and priorities. Organizations just embarking on ServiceOps run headlong into "lack of standardized processes" as their top obstacle.

ServiceOps is a low-cost/high-value proposition, but it is not effortless. The research panel named the top changes that are most important to ServiceOps effectiveness. In rank order, they are:

- Workflows to bridge dev, ITOps, and ITSM teams
- More real-time context – discovery/dependency mapping, IT asset management, and CMDB
- Inclusion of cloud management capabilities
- End-end visibility of application performance
- Organizational changes to facilitate collaboration
- Observability of infrastructure end-end

What are the top obstacles to ServiceOps?

Enabling factors and technologies

ServiceOps is a classic hybrid of people, processes, and technology. It is not a simple case of throwing technology at a problem. It requires frontline cooperation and shared capabilities, as well as organizational backing to support and promote collaboration.

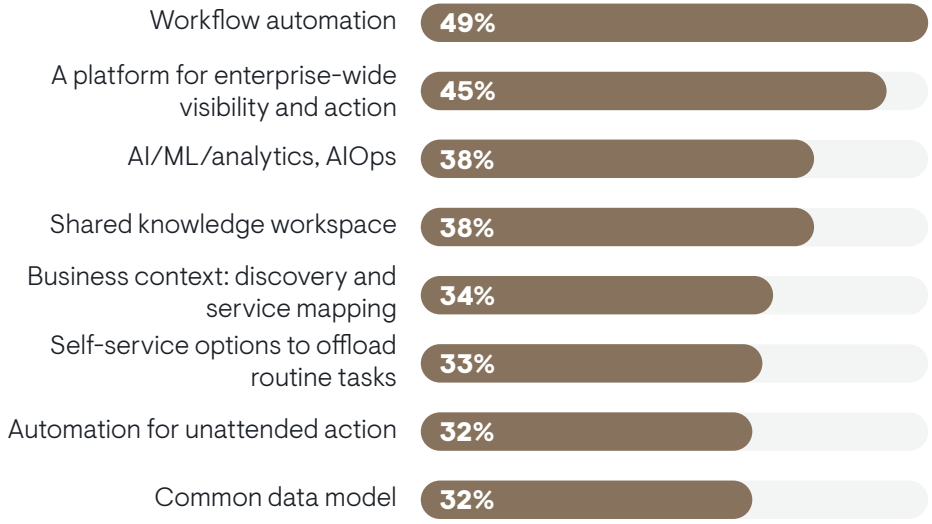
The factors that are most important to unifying service and operations are identified as:

- 56% Cross-functional processes and workflows
- 53% Shared and accessible data
- 51% Organization and management support
- 50% Shared objectives and metrics

IT service and ITOps need shared workflow processes, data, and objectives to effectively collaborate. The absence of any element introduces gaps, duplication of effort, delay, and even potential conflict. Establishing the human side of the equation kickstarts ServiceOps effectiveness, but technologies turbocharge the efforts.

Workflow automation heads the list of essential technologies, followed closely by a platform for enterprise-wide visibility and action. Together, these two technologies form the essential backbone of ServiceOps.

Which technologies are most important to unify service and operations?



It's interesting that "AI/ML/analytics and AIOps," which is in a tie for third rank with "shared knowledge workspace," made a substantial gain from the 2023 list. In 2023 it barely made the list, coming in last with a 27% mention. Clearly, AI has captured a healthy chunk of IT mindshare on the wave of GenAI interest, as well as increased experience with the combination of AI and automation.

Automation, AI, and GenAI

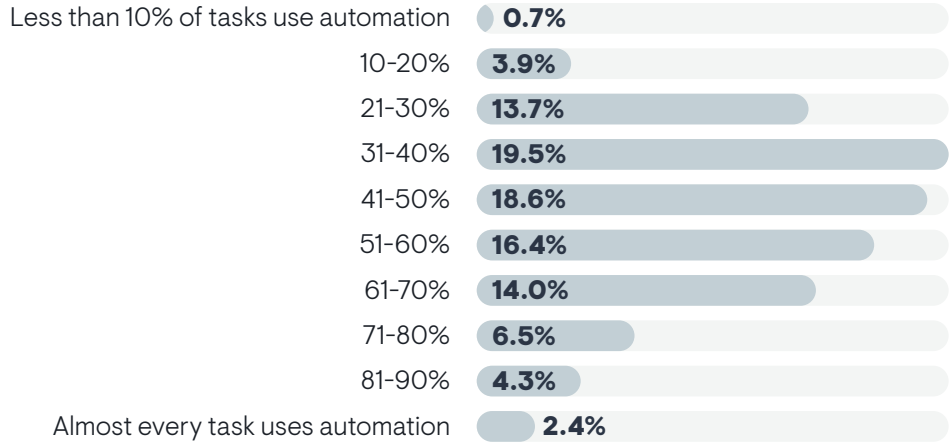
Automation

In order to participate in this research, panelists were required to have automation as an organizational priority at some level. It is reasonable to assume, and proved true, that forward-thinking organizations adopting ServiceOps would also be invested in IT automation. This prerequisite arguably makes the research panel somewhat more sophisticated than a random average mix would be. Automation is:

- A high-priority, mandated by the C-suite for 63% of the respondents
- Departmental for 29%
- Increasingly important, but early, for 8%

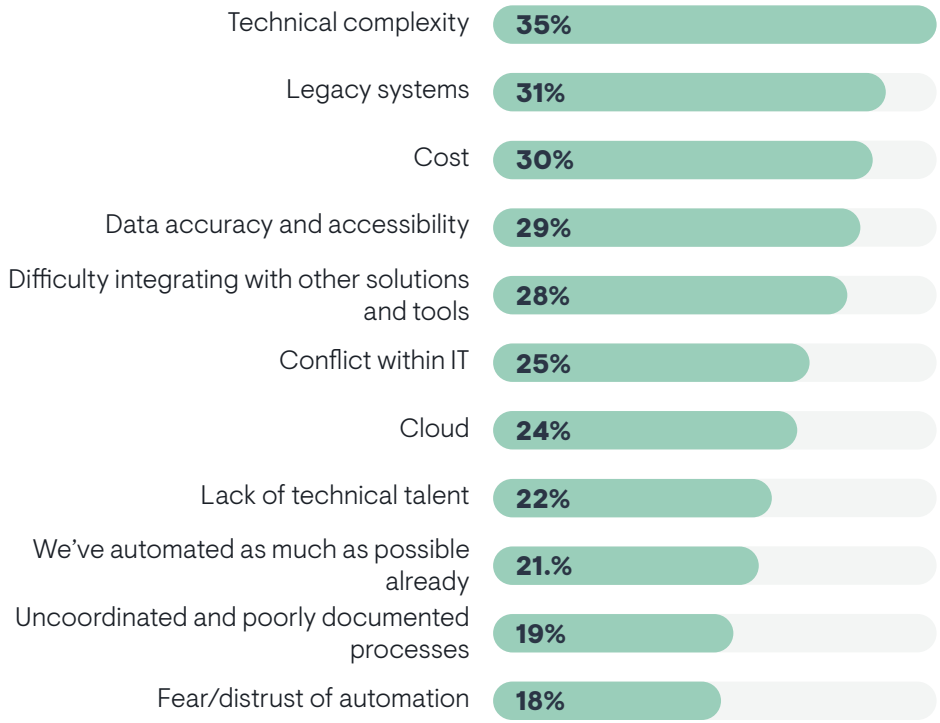
However, there is a huge disparity in the degree of automation in play. Participants were asked about the percentage of IT tasks that use automation (not tasks that are completely automated). Answers ranged from 10% to almost 100%. The exact percentages matter less than the degree of difference. Looked at another way, this range is either a competitive advantage or disadvantage depending on which side of the automation equation an organization lands.

What percentage of IT tasks do you estimate USE automation in your IT organization?



The question, **"What's preventing your organization from adopting automation more broadly?"** put "technical complexity" as the top reason overall. In segmented analysis, IT service respondents put "cost" first, while ITOps folks top-ranked "legacy systems." Technical complexity was second choice for both groups.

Mature ServiceOps respondents were most likely to answer "difficulty integrating with other solutions and tools," as well as "we've automated as much as possible already." These answers make sense together because mature implementations – further ahead in automation – encounter obstacles that are less obvious to those who are early on the path.



Artificial Intelligence (AI)

It is clear that AI[1] exerts a powerful influence on the capabilities, strategy, and planning of IT. However, its use is generally less advanced than automation. Asked to characterize the current use of AI/ML and analytics in IT, the panel responses were fairly evenly distributed:

Mature
use of AI is strategic, well-established, and highly effective

Early
use of AI is strategic and increasingly common, but still relatively early

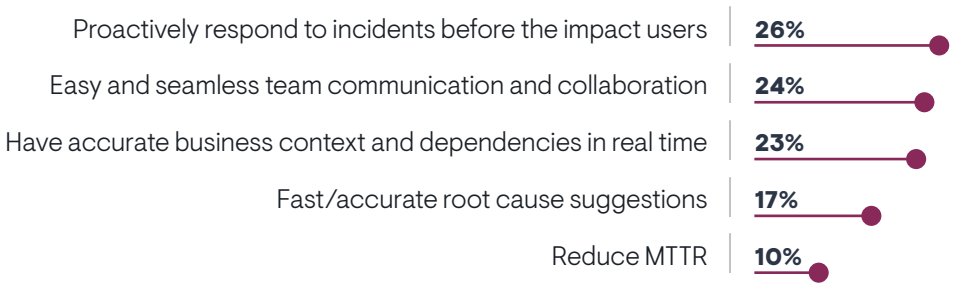
Departmental
different functions and tools use AI, but there is no unified plan

Only 2% of the respondents marked the topic as not applicable. AI use is at the mature level for 46% of mature ServiceOps initiatives compared to 30% of early initiatives and 26% new. Overall, organizations that actively pursue a ServiceOps strategy tend to be ahead of the curve in adoption of technologies and techniques that increase human effectiveness and efficiency.

The proactive ability to respond to incidents before they impact users tops the AI wish list. However, when asked, "How is predictive AI insight used for proactive action in your organization?" only 31% of respondents answered, "Predictive insights trigger automated proactive actions." More answers involved humans: "Proactive actions are taken only with human oversight" (27%) and "Predictive insights are used to increase human effectiveness" (35%).

Although AI and automation have an explosive multiplier effect when used together, EMA research consistently shows that people prefer both with a human touch. This is especially true when organizations are early in their AI and automaton experience. Although on the rise, the willingness to use unattended automation for anything beyond proven, well-understood matters is still early.

If AI could do one thing really well, what would have the biggest positive impact?



The top ways that IT service and ITOps collaborate using AI and automation are: ITAM, GRC, incident response, collaboration/communication, security, and cross-functional workflows. Only three percentage points separate the uses. ServiceOps thrives using both automation and AI.

[1] Note: Artificial intelligence (AI), machine learning (ML), and analysis, although distinct types of insight, are often combined conversationally into a loose AI category. Until the topic turned specifically to generative AI (GenAI), this research did not delineate between the capabilities.

Generative AI (GenAI)

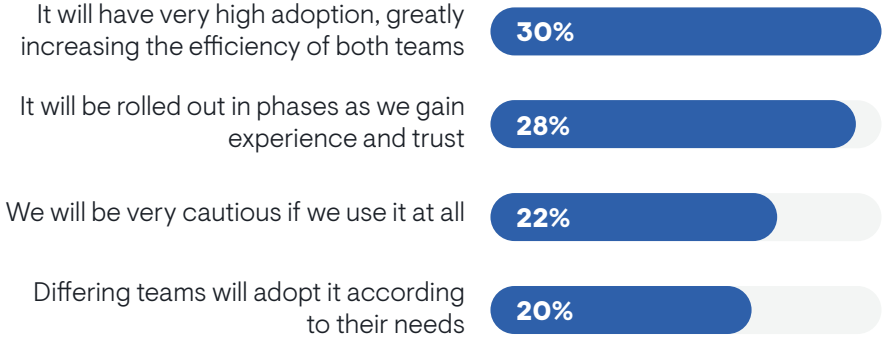
Adoption

ChatGPT vaulted into headlines worldwide, aiming a powerful spotlight on generative AI. Its potential galvanized IT vendors and practitioners into action. This year's research panel is no exception. Asked, **"There's been a lot of excitement and talk about generative AI (GenAI) and ChatGPT. Where does it stand in your IT organization?"** most answers ranged across investigation, trial, and production in almost equal measure.

It should be noted that the survey didn't define the meaning of "in production." It could cover everything from an engineer having ChatGPT spin up a script that gets used in production to a full-fledged, vendor-supported offering. This topic will be explored in next year's research, but for now, it is safe to say that energy, interest, and investments are aimed at adoption.

How quickly do participants envision GenAI becoming mainstream? EMA asked, **"What is a realistic timeframe for GenAI to become mainstream in production for incident response in your organization?"** specifying incident management to anchor answers in a concrete and universal use case. The timeframes spanned from an eager 19% who anticipate a window of a few months to a skittish 9% who are looking more than two years out. The majority of participants (67%) see a year to eighteen months as a realistic timeframe. They plan to rely heavily on vendor support.

What role do you see AI and GenAI having in ServiceOps (collaboration between IT service and operations) in your organization in the next 6-18 months?



Use cases and value

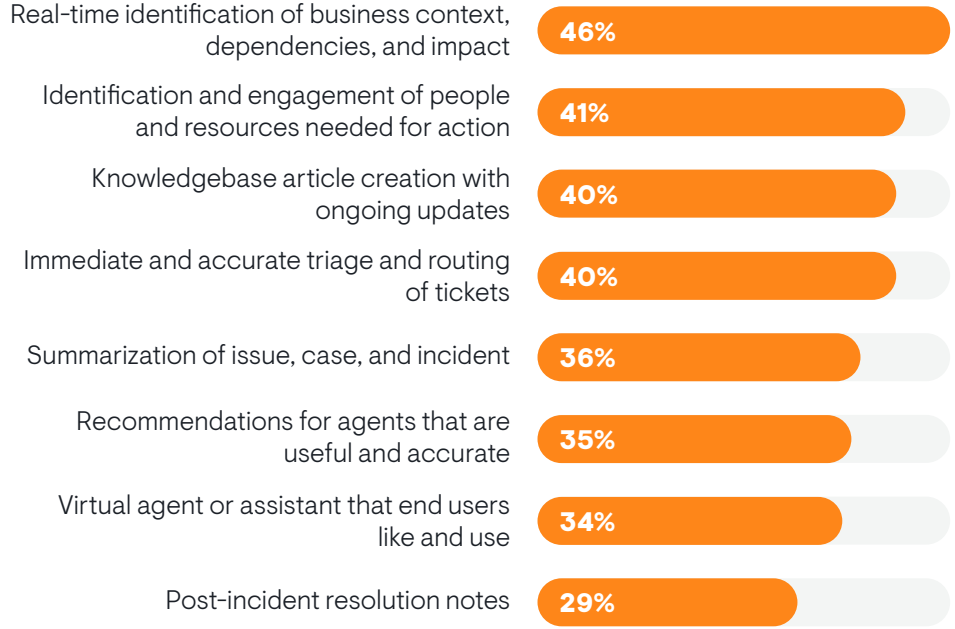
Panelists had no difficulty identifying use cases for GenAI. In fact, only nine percentage points separate the top response (real-time assistance to service desk agents) from the last (alert triage and consolidation) to make the tightly grouped most-likely list.

Which areas are the most likely candidates for GenAI adoption in your organization?

- Real-time assistance to service desk agents
- Knowledgebase generation and upkeep
- Service desk routine requests and problems
- Business context – service/dependency mapping
- Incident response analysis
- Cross-functional/team collaboration and communication
- Predictive/proactive advice
- Root cause analysis
- Personalized dashboards generated for individual interests
- Change impact analysis
- Post-incident closure and reporting
- Alert triage and consolidation

It's interesting to note that the top-of-mind GenAI use cases are almost all ones that already benefit from use of automation and AI. EMA anticipates that experience will increasingly lead IT practitioners to expand the universe of the possible to underserved processes and use cases, such as team identification/engagement and post-incident closure/analysis.

If GenAI can accurately automate or transform a function, which capabilities would have the most value to your organization?

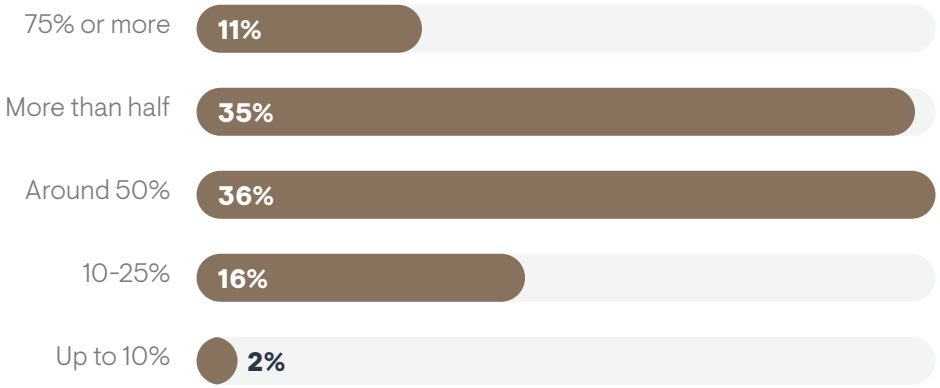


The revolutionary potential of GenAI will be realized when IT practitioners move beyond doing common things better to doing new things that make the formerly impossible easy.

Practical potential

To gauge the expectation level for GenAI, EMA posed some hypothetical, but very realistic, use cases to the panel. Here are two examples – one each from IT service and ITOps.

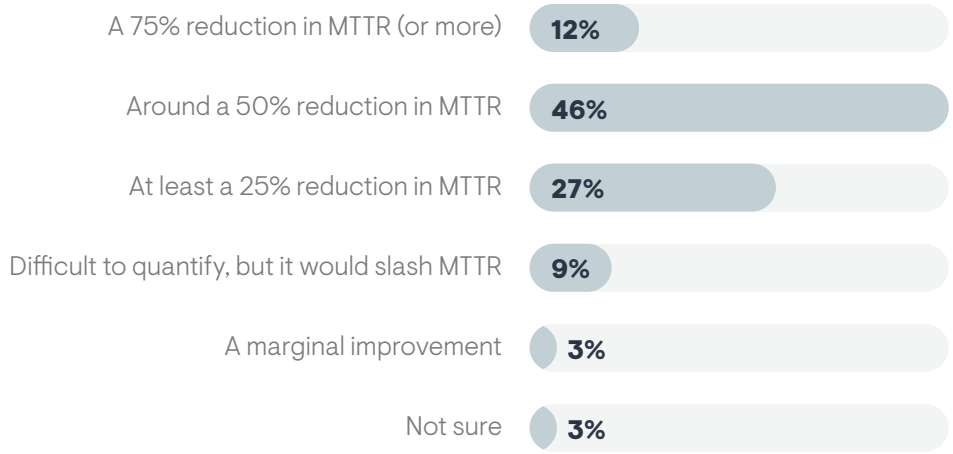
If knowledgebase articles could be automatically and accurately generated/updated and easily searched with normal, everyday language, what percentage of incidents, tickets, and cases might be deflected?



Knowledgebases are not new to either IT service or AI – often with mixed results. The gamechanger of GenAI is the combination of accuracy, automation, and accessibility. When presented with the possibility of that combination, 82% of panelists see a very large deflection of incidents, tickets, and cases – 50% or more – a major boost in productivity and user experience.

GenAI also holds the potential to slash MTTR by intelligently automating essential incident response processes. The time cuts in summarization and team engagement hold especially high potential benefits because they are time-consuming activities that are big contributors to MTTR. They are also among the least automated and underserved phases. The research participants recognize the potential, with 58% seeing a 50% or greater reduction in MTTR as a realistic outcome.

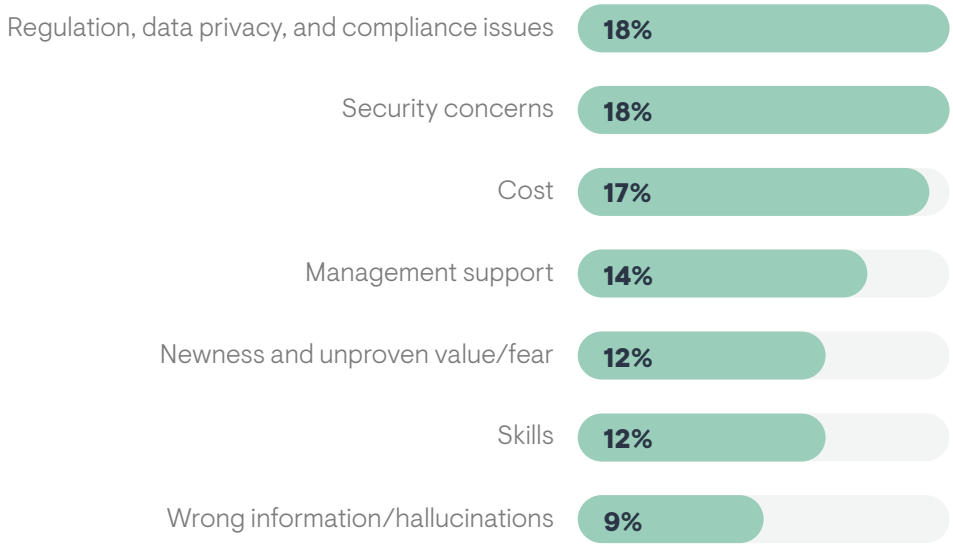
What would be the result if it only took seconds to do all of the following: automatically generate an accurate alert/ incident summarization, identify possible/likely root cause, and identify/engage the correct responders/teams?



Challenges and concerns

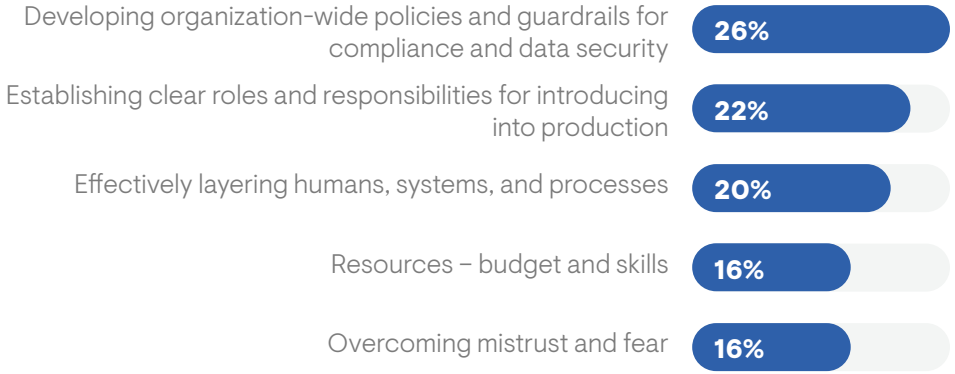
Given the publicity, it would be natural to expect the biggest obstacle to GenAI's adoption to be fear, newness, and its propensity to hallucinate. Those issues matter, but they aren't the main problem. "Regulation, data privacy, and compliance issues" and "security concerns" tie as the primary reasons to delay implementation of GenAI. That ranking is not unique to this panel. It is consistent with recent EMA research initiatives over numerous IT practice areas. Afterall, IT practitioners have experience in overcoming newness and the fear that accompanies it, whereas GRC and security are complex – and moving – targets that carry high import.

What is the main reason your organization might delay implementing GenAI or ChatGPT?



The biggest challenges to GenAI adoption parallel the concerns. IT organizations will be challenged to keep human pace with the disruptive capabilities of this technology. Policies, procedures, and the experience necessary to effectively and securely interweave the human and machine sides of this equation will take center stage for the foreseeable future.

What do you think will be the biggest challenge to GenAI adoption in your organization in the next 6-18 months?



Ultimately, challenges to GenAI adoption can be summed up in the overarching need to effectively layer humans, systems, policies, and processes. Meeting that challenge will require the type of seamless, cross-functional collaboration that ServiceOps enables and promotes.

Concluding thoughts

ServiceOps' progression from grassroots to mainstream was almost guaranteed from the start. It is practical. It makes sense to the people who do the work because it makes their work lives more effective and enjoyable. It runs on technology tracks already laid down, leveraging investments in workflow automation, AIOps, and evolving combinations of automation, AI, and GenAI. It returns high-impact benefits that map to C-level objectives.

There is no downside. However, there are challenges. Most of them are the same as those that challenge high-quality IT service in general. The ones that are specific to ServiceOps are organizational, such as competing objectives, priorities, and metrics, as well as lack of standardized processes. Grassroots efforts can ameliorate some of these obstacles, but they can't eliminate them. Ultimately, senior management must throw its collective weight into clearing the people paths and funding the technologies that drive collaborative excellence.

Organizations that actively adopt and endorse ServiceOps refuse to be constrained by organizational structures and strictures developed in times past. They reject self-inflicted losses caused by unnecessary friction, conflicts, gaps, and oversights. They position themselves to effectively incorporate advances such as GenAI into everyday work as soon as the advances become practical. They're just more effective at execution with the added bonus that they offer more productive and enjoyable work environments.

ServiceOps can serve as a conceptual framework to harness and direct enterprise initiatives and investments that reach far past the IT service/IT operations starting point. The concept gives direction and structure to the current drive toward cross-functional workflows and automation. The findings in this annual research can be used to give shape and substance to ServiceOps initiatives, validating them as essential elements of modern business. ServiceOps elevates casual cooperation to business-impacting collaboration that is intentional with results that are quantifiable.


AI

About Enterprise Management Associates, Inc.

Founded in 1996, Enterprise Management Associates (EMA) is a leading IT analyst research firm that specializes in going "beyond the surface" to provide deep insight across the full spectrum of IT management technologies. EMA analysts leverage a unique combination of practical experience, insight into industry best practices, and in-depth knowledge of current and planned vendor solutions to help its clients achieve their goals. Learn more about EMA research, analysis, and consulting services at **www.enterprisemanagement.com** or follow EMA on **X** or **LinkedIn**.

2770 Arapahoe Road, Ste 132 - 544, Lafayette, CO 80026 +1 303.543.9500 **www.enterprisemanagement.com**

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