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# Executive Profiles in Digital Transformation

Insights from C-suite executives who have unlocked their organization's digital potential

START

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Machine learning, process automation, and other emerging technologies have shifted the ground under our feet.

Introduction

Digital transformation. As a CIO, you've been hearing this term for a few years. But true digital transformation is no longer a buzzword or a far-off prospect–it's a necessity for any organization seeking ongoing business success.

The good news is that CIOs who embark on a comprehensive digital transformation initiative can expect a remarkable competitive advantage. In short, do it now and do it right, and your organization will reap considerable rewards.

So, when does true digital transformation start? If you're like Accenture CIO Andrew Wilson, it begins "when you wake up in the morning and realize that everything you did that made you successful as a CIO is no longer enough." Machine learning, process automation, and other emerging technologies have shifted the ground under our feet. Assuming you, like Wilson, have heard the wake-up call, the next question is "how?"

To paint a picture of what true digital transformation looks like–and form a blueprint for how your organization can follow suit–we have gathered together a suite of technology stories from executives who are successfully navigating their company's own transformation initiative, including ServiceNow's own CIO.

You'll see that the results are stunning, with significantly improved customer experiences, increased efficiency and profit, and a move toward constant business innovation. We hope this inspires you to begin writing your organization's very own digital transformation success story.



# Where does digital transformation start?

Insights from CIO Chris Bedi on ServiceNow's own transformation

Like so many stories of true change, digital transformation starts from within. Which is why no organization can reap the benefits of next generation tech without putting employees at the center of its strategy.

I've found that, to achieve better business outcomes through digital transformation, you must invest in great experiences for employees and customers. And once you understand the core elements of a successful transformation, it's easy to see why successful companies disproportionately invest in organizational change to help people through the transition.

These are the three essential keys to digital transformation: speed, intelligence, and superior stakeholder experiences.

Speed speaks to the ability of machine learning and automation to accelerate every business function, from HR to IT, as well as enable business processes that adapt and improve on their own. Intelligence focuses on new tools that apply machine learning to create real-time insights that improve human decision-making.

The third-and, in my experience, most important-element revolves around superior employee experiences and change management. People can't just go home one night and step into new roles in the morning. Successful change requires investment in communication and training, because you need great people and a great culture to execute any digital business strategy.

The power of AI-and the potential for better business outcomes-emerges only when people learn to work productively with machines.

# Build your foundation for transformation

To build a strong internal foundation primed for transformation, companies need to invest time and resources in several key areas.

First, companies need to identify the skills and competencies that will make employees successful long term, and invest in change management programs that train employees to be as comfortable working with intelligent machines as they are with human colleagues. Because the power of Al–and the potential for better business outcomes–emerges only when people learn to work productively with machines.

Leadership is another key factor. Companies need leaders who understand how automation can help drive business success. A key leadership skill will be defining what processes can be delegated to technology platforms and which ones still require human oversight. ServiceNow has a program called Now on Now where we use our own technology to automate a variety of routine tasks. Alongside these technology programs, we invested in organization change management programs to help employees understand how their jobs would shift and make clear that they can now focus on more fulfilling work instead of routine repetitive tasks.

In addition, we trained our employees on new competencies that build their careers and equip them to be successful. For example, we identified four critical training programs that we now require for all IT employees: communication and influence, design thinking, machine learning, and automation.

Companies can invest in acquiring the best technology to jumpstart their digital transformation journey. But those investments will likely be wasted if employees don't embrace the change.

- Chris Bedi, CIO, ServiceNow

# You need great people to execute great strategy

Among the ways we use our own technology is automating the quarterly financial close, as opposed to forcing accountants to enter massive amounts of financial data into an ERP system. That shift was successful because we were able to show our finance employees that automation doesn't threaten their jobs. Instead, it eliminates repetitive busy work and allows them to concentrate on higher level tasks like analyzing key financial metrics that drive our business.

In the IT function, similarly, we've automated routine tasks like provisioning servers, imaging new laptops and eliminating phishing emails. This increases system uptime, which helps the business. It also allows our IT team to focus on more strategic work like building technologies that help our customers.

You can't change a culture by writing code. Successful change requires investment in communication and training, because you need great people and a great culture to execute any digital business strategy. That's why companies need to get started on human transformation today.

Ready to transform? **Explore Workflow** for more executive perspectives and insights.



### People before systems

Words of wisdom from Accenture CIO Andrew Wilson

# accenture

Accenture CIO Andrew Wilson spoke with us recently about the ongoing revolution in corporate IT. (This interview has been edited for length and clarity. **Visit servicenow.com/workflow** for the full interview.)

#### How do you approach your role at Accenture?

The dramatic changes in the technology industry, in cloud, in automation, and analytics, mean I have to completely redefine the skills I need to be successful. A digital transformation strategy is equal parts technology, talent, and change.

The next thing I have to do is make the team that looks after that technology much more successful. They have to have a set of skills in things that a few years ago didn't exist and an imagination that's a long way away from coding and building things in the data center.

A modern digital transformation strategy is all about the human. There's an irony in that: In these days of ultra fast technology, the human is at the heart of everything. For my user base, it's about having a great time at work. It's about attracting and retaining employees. It's about making the process of joining Accenture much more fluid.

#### Key insights from Andrew Wilson

- CIOs should start thinking in terms of outcomes, not technology
- Culture and business problems should drive tech investments
- Commercially available platforms can extend a company's IT capabilities



Andrew Wilson CIO, Accenture We have over 100,000 people join us a year. You can't be old fashioned. You can't have them filling out forms. It's got to be really sticky. They've just come up from talking to Alexa. They've just come from watching YouTube. If the services at work don't feel like that, I'm not doing my job.

### How do you work with the lines of business to build experiences for employees?

Don't think in terms of the system you're going to build. That's really the last step. If your culture and your business transformation aren't driving what you're doing, then you're only putting a patch on things.

### How do you define platforms and why are they important?

Platforms run the IT ecosystem today and really give you a lot of investment that you couldn't possibly make as an individual organization.

Accenture runs on a small number of big platforms like ServiceNow and Microsoft. My job is to make the platforms work together [so we achieve] cross platform integration in the cloud. It's a bit techie, but really important, because now I'm brokering, I'm orchestrating, and I'm serving up change potential in the organization.



### ClOs: The transformation specialists



#### **Spotlight on Discover Financial Services**

In the last three decades, the financial industry landscape has changed dramatically. Customers are demanding more mobile, responsive, and easy-to-use services. Millennial consumers are drawn by experiences, not brands. At the same time, financial technology startups are maturing, and aren't hampered by data centers or legacy assets.

Discover Financial Services is driven to compete. This means the organization needs to operate differently today than it operated even four years ago. And IT is the business leader for this process and culture transformation.

Discover started on this path by strategizing what technology should look like at the company in the next three years—and then taking the steps to move the entire company toward that destination.

Today, CIOs are thought leaders and transformation specialists, because we are on the cutting edge of technologies that can change our business.

- **Glenn Schneider**, CIO, Discover Financial Service

#### The Discover transformation plan in action

First, Discover needed the ability to deploy new product features and functionality faster. One way to achieve that was moving to a continuous delivery pipeline for application development. Embracing cloud and automation and using open-source tools with a focus on flexibility helped increase the speed of innovation.

Second, customers should enjoy a more personalized experience while meeting regulatory obligations and ensuring customer privacy. The bank found that different customers have different needs, and by linking customer activity on Discover web or mobile sites with calls into account representatives, they could ensure that every interaction is seamless and customized.

#### Creating a culture that embraces change

Third, Discover wanted to encourage greater experimentation. So IT launched Agile working groups designed around business goals, like new accounts or payments technology. To further improve productivity and efficiency, IT and the business were co-located so that development questions could be answered in real time. As a result, "hands-on keyboard" coding time increased five-fold.

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ClOs must support a culture that encourages people to think differently, take action, and focus on the customer. Discover found that encouraging a culture that embraces change is foundational to success. Cultural alignment is equally as important as platform modernization. CIOs must support a culture that encourages people to think differently, take action, and focus on the customer.

Fourth, employees need the tools to work smarter. That includes using ServiceNow to automate day-to-day tasks, freeing up time to focus on high-value work.

Doing all of this requires the CIO to have strong relationships with colleagues across the C-Suite, who will be advocates for these changes. CIOs will also need to collect data and communicate results to prove that the changes are working.

CIOs need to reinvent themselves continuously—what worked yesterday won't necessarily work today or tomorrow. They need to see problems as opportunities to transform IT delivery methods and culture to help the business respond more effectively to customer needs.



### **Redefining the rail experience**



#### **Spotlight on Virgin Trains**

In 2016, Virgin Trains embarked on a journey to radically improve customer service. "We're moving toward a digitized, automated, personalized rail experience that puts customer satisfaction first," said Virgin Trains CIO John Sullivan. "All of that starts with a foundation of streamlined internal processes and excellent IT service delivery." Virgin Trains is achieving this objective in these five key stages:

#### Step 1: Modernizing ITSM

The first milestone on the journey to service excellence was modernization of the underlying IT service management (ITSM) infrastructure and applications. The company's legacy ITSM platform was aging and had limited capabilities. "Everything we do for customers starts with great support for employees," said Dean Underwood, head of IT services for Virgin Trains. "If you don't have infrastructure and processes in place that can improve service delivery and grow and evolve with you, transformation is just not possible."

#### Step 2: Transforming the employee experience

The result of the modernization efforts has been a radical improvement in the quality of IT service delivery. But that's just the beginning of the transformation journey for Virgin Trains.

We've automated tasks and simplified processes, for example making it easier and faster to get needed approvals for changes, in some cases what used to take a month now takes a day.

- **Dean Underwood**, Head of IT Services, Virgin Trains

Sullivan shared that, "Richard Branson has a saying 'if we look after our staff, they will look after our customers. And so a key part of our transformation journey is constantly improving the service we provide to employees and measuring their satisfaction levels." To that end, Virgin Trains has begun meticulously measuring and tracking internal customer satisfaction (CSAT) scores.

#### On track to true transformation

### Step 3: Transforming the customer experience across the enterprise

The next phase of transformation is currently underway with the implementation of Customer Service Management (CSM) capabilities from ServiceNow. According to Sullivan, "CSM will help us automate common customer service tasks and save both agents and customers a lot of time. We get thousands of inquiries, suggestions, and requests each year–with CSM we can issue reference numbers, track cases more easily, and get important data about our customers that will drive future improvements."

#### Step 4: Creating a value chain

Recognizing that the overall customer experience also depends on partners, Virgin Trains has launched an initiative to create an end-to-end service value chain that extends to its base of suppliers. Sullivan shares that, "we're on track to save 20% of our operating budget, and we want to invest some of those savings into our supply chain."

#### Step 5: Innovating for a fantastic rail experience

Having modernized internal systems and processes, and having transformed the way services are delivered, Virgin Trains will next look at innovative ways to deliver the rail experience of the future. "We want to provide digital entertainment, easy access to up-to-date schedule information, simplified booking and payment capabilities, the list goes on," said Mr. Sullivan. "The Virgin brand has always been about innovation, and we're trying to be inventive in improving the entire train experience." As part of that effort, Virgin Trains organizes an "Innovation Day" every six months.

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# Automation sparks across-the-board transformation



#### **Spotlight on Howard County**

What started as a goal to improve IT support and service delivery has now become a vision for streamlining many work processes including citizen requests—in Howard County, Md. In 2016, the county chose ServiceNow to replace a mix of on-premises applications, spreadsheets, and documents used to manage IT projects and support cases.

Initially the county wanted to automate internal IT processes. But technology leaders realized they could also use ServiceNow to automate the county's business processes. "Automated workflows aren't just for IT," says Tom Yeatts, Howard County's deputy CIO. "The same thing can be applied to human resources or customer relationship management. Once we show a department the benefits of using a single automation platform, we can help it streamline workflows—the return can be almost exponential."

There's a benefit to simply clarifying a process and making it repeatable, so we can easily adapt it for other workflows that handle similar tasks.

- Tom Yeatts, Deputy CIO, Howard County

#### How Howard County automated their IT processes

The first task for the Howard County IT team was to standardize and enter information about infrastructure elements and services into the ServiceNow configuration management database (CMDB).

Each service relies on interacting IT components, including databases, physical and virtual servers, networks and cloud services. By mapping both the infrastructure and the business services, the team could clearly see the relationship between the two. With one system of record replacing multiple applications, spreadsheets and documents, they can readily understand the health of their environment, quickly evaluate service impacts and proactively fix problems.

With the configuration database in place, the county focused on automating IT workflows and processes. The first IT processes automated included requests for system access, password and account lockout resets, and routine or specialized equipment. This effort prompted IT staff to analyze and document existing processes, define approval and activity flowcharts, and identify where exceptions might apply. Once these IT processes were defined and automated, the team saw tremendous gains in productivity and in their ability to meet or exceed service level agreements.

A single portal and automated workflows will make it easier for citizens to initiate requests, improve responsiveness and productivity, and increase citizen satisfaction with county government.

#### Extending automation beyond IT

Howard County leaders also created a single place for county employees to access IT and non-IT support. The county developed what they call SNAP (ServiceNow Application Portal), which gives users a one-stop site to find answers, and initiate and track requests. Workflows in the portal are clearly defined in an online service catalog maintained in the ServiceNow software.

"Most people initially look at ServiceNow for incident reporting and IT operations management," says Yeatts. "But when we add the service catalog, our clients will see that we are building a central point for requesting and reporting anything related to IT and, in the future, to many other departments. We want to encourage employees to start using the SNAP portal now so it's familiar as we add services."

A planned public contact portal will help connect the county's citizens to their government. The Howard County constituent relations team will use the portal to forward a citizen's request to the appropriate department, then track the request status and response. A single portal and automated workflows will make it easier for citizens to initiate requests, improve responsiveness and productivity, and increase citizen satisfaction with county government.



# Hospice transformation with a human touch

#### VITAS<sup>®</sup> Healthcare

#### **Spotlight on VITAS Healthcare**

For VITAS Healthcare, a leader in hospice care since 1978, IT transformation is a catalyst for giving precious time back to employees so they can focus on what matters most–providing more human, collaborative, and efficient interactions among staff, patients, and families.

VITAS first started working with ServiceNow in 2014. The company implemented the Now Platform to bring order and consistency to asset management and other IT processes. "We have 12,000 employees and 8,000 of them are mobile-doing their work in the patients' homes or medical facilities-so tracking all of their mobile devices is extremely important," said Naresh Samlal, director of mobility and process automation at VITAS. "But in 2016, we couldn't produce a report about who had which device. We were losing a lot of money on carrier bills because we had no documentation, and we had a high loss rate for devices that were reported missing or stolen."

"ServiceNow gave us two critical things for IT service management: flexibility and visibility," said Samlal. "The platform could bring order and consistency-not just to asset management but many other processes-and it gave a level of visibility that we had never

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We saw that the same capabilities that were giving us great results in ITSM could easily extend to other areas of our business.

- Patrick Hale, CIO, VITAS Healthcare

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experienced before." By implementing the Now Platform, Samlal reported, VITAS immediately began saving on carrier costs and lost devices. "We recovered \$70,000 in just one month on our carrier bill, and our loss rate is now down to 6.02%–I cringe to think about what it was before," he said.

#### Improving ease and efficiency of field service tasks

Exploring new possibilities for patient care, VITAS enlisted the help of ServiceNow Inspire, an executive advisory program made up of former CIOs and industry consultants.

The ServiceNow team conducted workshops with VITAS executives to discuss the company's priorities and how to translate them into a transformation journey focused on optimizing the patient experience. VITAS saw an opportunity to dramatically improve the ease and efficiency of key field service tasks by performing them on mobile devices. At VITAS, as at most hospice care organizations, field services are typically manual processes that involve a ton of paperwork. When nurses visit prospective new in-home patients, they must bring along documents for patient assessments, admissions information, and much more. VITAS is now exploring opportunities for digitizing, automating, and mobilizing many aspects of field service.

The goal: Make it easy for VITAS to create mobile field services that are insanely simple to access and use. Accelerating the onboarding process for new patients is just one example of what's possible. Mobile field service innovations could allow VITAS to take in more patients in less time, improve the experience for all stakeholders (thereby improving the company's reputation), and increase the job satisfaction of nurses and clinicians.

Much has changed since VITAS first launched its IT transformation initiative in 2014, but expectations for future results remain high.

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The reality is that we're doing far more than improving our internal operations we're creating a virtuous cycle. More efficient staff means higher quality care and more time for family members to spend with their loved ones. There's no metric that adequately captures the value of that.

- Patrick Hale, CIO, VITAS Healthcare

"Today we see ServiceNow as the backbone of our transformation strategy," said Hale. "It's one platform with infinite possibilities—not just for our business but for improving patient care. The reality is that we're doing far more than improving our internal operations we're creating a virtuous cycle. More efficient staff means higher quality care and more time for family members to spend with their loved ones. There's no metric that adequately captures the value of that."



#### Move fast, move smart, move now

#### The digital disruption has only just begun

It's a given today that business as usual is no longer an option if you want to be in business tomorrow. And that's no idle warning– it's our reality. As Accenture CEO Pierre Nanterme points out in an article he wrote for the **World Economic Forum** entitled, The Digital Disruption Has Only Just Begun.

According to Nanterme, "new digital business models are the principal reason why just over half of the names of companies on the Fortune 500 have disappeared since the year 2000." He goes on to detail the imminent "Fourth Industrial Revolution, characterized not only by mass adoption of digital technologies but by innovations in everything from energy to biosciences."

Yet in revolution, there is opportunity—for companies poised to turn vision into action.

ServiceNow is ready to be your partner in digital transformation. Ranked #1 on the **Forbes World's Most Innovative Companies** list, our more than 4,000 customers depend on us to provide the platform, products, and services that lead to ongoing business success. With us, customers have experienced a 258% ROI\* and can get to market 50% faster with new business models.

If you want to dig deeper into the business value of ServiceNow, you can find a full suite of **Forrester Total Economic Impact<sup>™</sup> reports** on our website. And for additional insights into how executives worldwide are adopting new technologies and reimagining the future of work, **explore our Global CIO study**.

To continue your journey with us, contact your ServiceNow representative or visit us at **servicenow.com**.



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