UW Connect Service Management: Funding and Adoption

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Agenda

- Service Management Strategy on a Page
- Service value/service model
- ServiceNow vendor management/contract
- Service subscriptions
- Pricing model
- What’s next
- SMB recommendations?
### Strategy Statement
Align UW-IT services with the University's current and future needs and improve service delivery through service portfolio governance, defined IT business processes, roles, and software tools.

### Vision
Lead the university's service management strategy by being a steward of ITSM principles, processes, and technologies. Help UW service teams achieve operational excellence as they support the campus community. Includes both UW-IT and the broader campus service delivery community.

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<tr>
<th>Drivers</th>
<th>Initiatives</th>
<th>Outcomes</th>
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<td>Governance boards and IT leadership need improved information to inform decision making.</td>
<td><strong>Current:</strong> UW-IT Portfolio Review Board improvements for services and projects. <strong>Future:</strong> Resume and re-envision the UW IT Service Management Board</td>
<td>Stakeholders and decision makers are able to access common process and tools for strategic and transparent decision making.</td>
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<td>UW community expressing frustration regarding incident communications.</td>
<td><strong>Planned:</strong> Implement Service Status web page with push notifications.</td>
<td>UW-wide IT support staff and end users receive timely service interruption notifications and updates for UW-IT services.</td>
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<td>UW community lacks consistent UW-IT service catalog content and intake methods.</td>
<td><strong>Current:</strong> Implement Service Catalog on UW Connect.</td>
<td>UW users have a consistent way to review and order UW-IT services.</td>
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<td>UW departments implement different service management tools due to cost barriers, resulting in institutional operational inefficiencies and collaboration barriers.</td>
<td><strong>Current:</strong> Continue to onboard UW departments at the rate of 1-2 orgs per month. <strong>Planned:</strong> Implement a lower cost “ticketing” service with fewer capabilities.</td>
<td>UW orgs leverage UW-IT investment in ServiceNow, enabling them to focus on needs unique to their orgs. Support teams collaborate on same platform. End users interact with common toolset.</td>
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<td>Homegrown inventory and billing systems retiring due to technology constraints and staffing.</td>
<td><strong>Current:</strong> Develop business capabilities in UW Connect to perform functions of current systems.</td>
<td>UW-IT can continue to process revenue and manage billable work and inventory.</td>
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<td>IT Service Management and Business Management (ITSM/ITBM) platform must continue to increase in value and capabilities without substantial cost increase.</td>
<td><strong>Current:</strong> Chair the internet2 ServiceNow Advisory Board to continually push for improved pricing and contract terms.</td>
<td>UW-IT and UW have access to affordable and robust ITSM/ITBM tools that evolve with UW needs.</td>
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<td>UW aims to implement accessible tools per WA State Policy 188.</td>
<td><strong>Current:</strong> Continue to engage as Design Partner with ServiceNow to meet accessibility needs.</td>
<td>UW mitigates risk, and end users experience an improved UW Connect interface.</td>
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<td>IT departments requesting ITIL training.</td>
<td><strong>Current:</strong> Provide ITIL training to UW-IT and departmental IT staff. Incorporate ITIL v4 updates.</td>
<td>IT departments leverage a common framework, approach and vocabulary to manage services.</td>
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<td>UW-IT needs standard processes, tools, and information to minimize risk and ensure smooth transition/operation for new and substantially changed services</td>
<td><strong>Planned:</strong> Implement Service Design process while also leveraging the Project Portfolio Management (PPM) and project management processes.</td>
<td>UW-IT staff in service management roles can more easily launch, assess, operate, improve, and retire services.</td>
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[https://wiki.cac.washington.edu/display/SIA/Service+Management](https://wiki.cac.washington.edu/display/SIA/Service+Management)
Service Value Model

- UW Connect Service Management [Service Catalog entry]
- Leverage the investment already made by UW-IT
  - Includes the contractual review with AG’s office, FERPA, BAA
- Enable UW orgs that provide services to focus on what’s unique about their org, vs. managing and supporting duplicate support tools across campuses
- Share key process applications so that IT can leverage the same ITSM framework
  - Request, Incident, Problem, Change, Knowledge Management, CMDB-lite
  - Collaborate on ITIL training across UW
- Improve customer experience by enabling moving support records between orgs
- Enable coordination and transparency among support orgs
- Enable orgs to subscribe to the [Enterprise Service Desk](#) to handle Tier 1 support
Vendor: ServiceNow

- **Internet2 Contract**
  - UW Chairs the ServiceNow Advisory Board - MOA and pricing oversight
  - ~70 higher ed institutions and university hospitals use the contract
  - Per unit pricing trend is decreasing
  - Current contract is through June 2023

- **Accessibility Design Partner**
- Vendor management approach: Help us align to your goals of higher ed purchasing more of your new and current products by dropping the per unit costs and improving accessibility.
Cost Recovery:
- FY18: 34%
- FY19: 41%
- FY20: 52%*

*Projection: may drop with upcoming pricing model swap in contract

FY18 - ITSM licenses; FY19 - ITSM + ITBM licenses, FY20 - ITSM + ITBM + custom app licenses
Expenses and Revenue

- **Service Price (not self-sustaining or TRF):**
  - $49/user/month for staff
  - $14/user/month for student employees
- **10% of projected UW-IT service management labor is reflected in price**
  - Labor represents: Tier 1, 2, 3, reports, process CSI, BAs, PMs
- **Revenue notes:**
  - Revenue is estimated high because units onboard mid-year, but our contract is paid annually
  - We have yet to collect all projected estimated revenue due to billing errors in sub-optimal billing system. CSI underway.
52 licences

Number of Current & Projected Subscribing Units

Reflects:
- 4 in progress onboarding
- 5 testing/considering
- 1 offboarded in 2019
- 1 upcoming offboarding (unsure of license decrease)
Service value and financial risks

“A service is a means of delivering value to customers by facilitating outcomes customers want to achieve, but without the ownership of specific costs and risks.”

Value to UW: improve the customer support experience while consolidating limited UW resources (staffing for management and support, tools, and infrastructure).

Costs and risk for UW-IT: UW-IT takes on the risks and responsibilities of the ServiceNow contract, and absorbs the revenue fluctuations inherent in subscription fluctuations.
Current Subscribers

- Foster School of Business
  - IT
  - Web
  - Hybrid MBA (HMBA)
  - Facilities
- Intercollegiate Athletics (ICA) IT
- UW Facilities BI/IT
- UW Financial Management
  - DATA Group
  - Tax Office
  - Global Operations Support
- Institutional & Data Analysis
- Dean of Medicine IT
- UW Continuum College
- Graduate School
- Health Sciences - Center for Shared Services (HS CSS)
- School of Environmental and Forest Sciences (SEFS)

- Financial Accounting
  - Banking and Accounting Operations
  - PCI and Merchant Services
- UW Bothell IT
- Department of Surgery
- Anesthesiology & Pain Management/Surgery One Administration (ASOne)
- HR/Payroll Integration Communications
- Academic Technologies:
  - CTE (planning to offboard)
  - LT
- HR Payroll (HRP Case Management Service)
  - ISC
  - HR/ Benefits/ UWMC Compensation
  - UTEMP
  - Academic Personnel
  - Med Centers (WMS)
Scope of work managed in UW Connect

For Subscription Customers:

- 20 Organizations/ Units
- 100 Service Offerings
- Records (Requests, Incidents)
  - >2,000 open at any given time
  - ~650 new records/day (avg)
- Integrated Service Center (ISC)
  - >1,200 Cases open at any given time
  - ~200 new Cases/day (avg)
What’s next? Financial considerations

- Switch to new ServiceNow pricing option once budget is approved (Summer)
  - Per unit license costs decrease
  - Contract value increases by 5-10% due to higher quantity and some add’l product

- Re-evaluate subscription service price (Fall)
  - Analyze labor, lowered per license costs, and increased total contract expense
  - Work with UW Management Accounting and Analysis (MAA) for rate approval
  - Price decrease expected for the current service

- Design and implement new, additional service (Spring)
  - “Basic ticketing” targeted for non-IT units
  - Configured on same platform using lower cost custom license type
  - Price estimate is less than $20 per user/month
What’s next? Capabilities and projects

Customer facing

- Service Catalog release (Summer)
- Updated MyRequests page (Summer)
- Improve Incident Management Customer Communications (Winter/Spring)
- Basic Ticketing service (Spring)
- Discovery capabilities? (School of Nursing, Surgery, UW Bothell?)
- Mobile app? PPM?

UW-IT

- Billing application
- Machine learning (routing and spam handling)
- Integration Hub for more integrations (Jira? Slack?)
- Continual Improvement record type
Questions for SMB

Funding: Current model works for some but not all UW units. Your goals?

Adoption: Does SMB see value in expanding this service broadly?

Service Options: The right mix for UW?

- ITSM Service
- Basic Ticketing Service (targeted for non-IT units)
- HRP Case Service (eligibility limited to ISC and core UW units, e.g. Benefits)

Engagement: Suggestions for appropriate level of and approach to engagement?

Are there SMB strategy recommendation for UW-IT leadership?