



**TITLE:**

**Washington State Department of Health  
Service Management Transformation**

**CATEGORY:**

**Cross-Boundary Collaboration & Partnerships**

**STATE:**

**Washington**

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**PROJECT INITIATION DATE:**

**August 2014**

**PROJECT END DATE:**

**December 2016**

## Executive Summary

### Overall project goal and purpose

Plan, develop and implement a Service Management Transformation program to bring IT/business alignment, service standards, best practices, and improved overall customer service to the Department of Health. Drive critical success factors to include adoption of industry recognized IT process frameworks, introduction and implementation of a fully capable technology platform, and the creation of a business driven governance program to ensure direct alignment of key service initiatives with agency needs, goals and objectives.

### Scope

- Implement a foundational set of ITIL best practices
- Implement a fully capable ITSM tool to underpin ITIL processes and support operational excellence
- Target both IT and business entities for improved service delivery initiatives
- Implement robust IT/business governance to ensure business driven prioritization
- Create and socialize key performance measures to validate desired outcomes

### Transformation timeline

Requirements gathering started: August 2014 - Fully implemented: December 2016

### Pathway to success

- Detailed communications strategy
- Clearly defined roles and responsibilities
- Accountability from the top down throughout the organization
- Focus on business value in direct alignment with agency goals and objectives
- Include IT and business by applying organizational change methodologies
- Agency-wide training and adoption of new processes, terms and key concepts
- Establishment of outcomes measurement and Continuous Service Improvement (CSI) to facilitate ongoing sustainability and growth

### Outcomes

- First year measurable service improvements:
  - Improved overall IT Customer Satisfaction from 77 to 90 percent
  - Reduced average service delivery times by 50 percent
  - Implemented 600 business driven service improvements through CSI process
- Trained, implemented and operationalized seven foundational ITIL processes
- Achieved business/IT partnership through the establishment of strategic IT governance
- Created 90+ configured service workflows to streamline service delivery processes
- Operationalized robust Service Management processes and customer portal for IT, HR, Facilities and Safety & Security

Reviewer note: visual diagrams illustrating many of the narratives found in this document have been included in a separate supplemental supporting document provided.

## Project Purpose Overview – Service Management Transformation

The Washington State Department of Health has a continued vision to support people in Washington enjoying longer and healthier lives. This is achieved through a mission focused on leading effective changes in health related policies, systems, and environments to promote healthy communities and encourage healthy lifestyles. This worthy endeavor is accomplished through collaborative partnerships, both locally and across the nation. With an emphasis on beneficial outcomes, DOH continually seeks to leverage the knowledge, relationships and resources necessary to positively influence the conditions that promote good health and safety for everyone.

With healthy communities at the core of what we aim to achieve, ensuring alignment between Health Technology Solutions (HTS) and agency business objectives is paramount to successfully accomplishing our goals. This reality became the catalyst for a multifaceted initiative to enhance IT service processes and management tools to enable process efficiencies and business focused alignment across the IT portfolio.

In an effort to manage demand, prioritize need, and provide strategically aligned services, HTS (the agency's centralized IT organization under the leadership of the CIO) set out to transform service management, establishing an operating model we call, "IT-as-a-Service". This model seeks to run IT more like a business, creating products, capabilities and services specifically targeted to meet agency needs and achieve desired business outcomes. Partnerships with customers drive the service value chain through stakeholder engagement and business driven priorities. This approach, combined with IT service optimization gained through leveraging known IT best practice frameworks, enables effective management of people, processes and technologies to fully position the organization for success.

The project included a comprehensive, multifaceted approach, with the following scope:

1. Development, adoption and integration of foundational ITIL best practice framework processes.
2. Implementation and customer adoption of a fully capable IT Service Management tool to effectively enable newly developed processes and facilitate growth opportunities for future capability needs.
3. Development of targeted strategic alignment and strong stakeholder partnerships through IT/business governance to validate value propositions and service priorities.
4. Implementation of methods for measuring, reporting and acting upon key service performance metrics that identify opportunities and underpin continuous service improvement initiatives.

We are excited to present our story of how a vision, enabled by a focus on business alignment and service improvement, created a culture of positive lasting change along with significant increases in customer satisfaction. The coordinated planning, implementation and execution of this project has challenged the agency to find new ways of collaborating and succeeding together, which has not only produced immediate measurable improvements, but also has formed effective partnerships that have become a foundation of success for years to come.

## Best Practice – Implementing ITIL Processes

Adopting IT Service Management best practices was foundational in building service excellence for the Department of Health. As a crucial first step, DOH hired a 3rd party consultant to lead organizational adoption of ITIL principles and assist in the implementation and configuration of supporting technology to provide capabilities critical to the support of ITIL processes.

### **Targeted training and agency-wide adoption**

ITIL Foundation certification training was provided to IT service provider staff and leadership to effectively introduce ITIL best practice concepts to those who would be on the front line infusing best practices into all aspects of IT operations at DOH. This training proved highly successful in providing vital foundational knowledge while inspiring a vision of how leveraging best practices could transform service strategy, delivery and support.

To make the vision a reality and effect successful organization change, it was essential to communicate the value of Service Management to the agency. This communication was facilitated through the delivery of ITSM simulations and business perspective workshops to key business stakeholders. This resulted in teams of business champions comprised of division leaders who could further communicate the value proposition down through their respective programs.

Our training and communication strategy served to create excitement, becoming a springboard for moving forward with the planning and activities required to implement selected ITIL processes that would become the basis from which DOH would build its best practice service operations.

### **ITIL process scope**

The initial selection of ITIL processes to be implemented was aggressive and optimistic. While many organizations start with a minimal process selection, it was determined that to achieve the outcomes desired, DOH would need to expand the scope to seven ITIL processes, while also instituting the Service Desk as a fully supporting ITIL Service Management function.

ITIL processes and functions in scope:

- Incident Management
- Service Desk
- Request Management
- Change Management
- Knowledge Management
- Configuration Management
- IT Asset Management
- Continual Service Improvement (CSI)

In hindsight, it would have been significantly easier to select fewer ITIL processes as an initial implementation. The broader scope resulted in additional complexity and the need for an expanded timeline, but with a detailed plan, dedicated staff, and unified business support, the extended scope was achieved, resulting in significant gains in service efficiencies and excellence.

## The Right Tools – Implementing Supporting Technology

### Technology selection

To enable and support robust ITIL best practices, DOH had to grow beyond its limited Helpdesk software, HelpSTAR. Early on, ServiceNow, a strong Gartner leader and visionary in the ITSM space, was selected as the technology tool of choice to enable growth and automation of the Service Management processes being implemented. Along with strong ITSM capabilities, ServiceNow also provided DOH a development platform that would facilitate building and enhancing business services well into the future. While building on the platform was not scoped into the Service Management project, providing growth opportunity remained a criterion for product consideration and future success.

Utilizing ServiceNow created an environment where operations and process optimization would not be hindered by a lack of tool capability. ServiceNow capabilities supported all aspects of the proposed Service Management Transformation scope. ServiceNow also provided a single source of truth for all things service from which valuable management data and service measures could be gathered, analyzed, reported and acted on.

In addition, ServiceNow provided multiple integration opportunities with existing technical tools, encouraging simplicity in an otherwise complex environment. This provided ease of use for the developers, administrators, service providers and especially to the end users, which was a huge win in delivering a high quality, user friendly, customer experience.

### Technology implementation

As stated, DOH acquired an implementation partner who could support our transformational change from both a best practice and a technology perspective. While the implementer was crucial in providing the guidance and expertise needed for ServiceNow implementation, configuring the technology specifically to meet DOH business needs and achieve business objectives could only be achieved through leveraging the skills and knowledge within the organization. In all, more than 300 agency staff and leadership comprised of both IT and business personnel were involved at differing levels, providing subject matter expertise, critical perspectives, and hands-on support to ensure the end product would achieve the outcomes needed for DOH success.

Implementation was not without challenges. The newness of ITIL methods and the aggressive number of ITIL processes selected added significant complexities in tool configuration. Inherent complexities were mitigated by extending the timeline several months to expand planning, training and testing efforts. The extra months were effectively leveraged, providing teams the time needed to complete tasks required, develop a detailed release plan, and create a maintenance and operations framework that would ensure IT and business readiness through the service lifecycle.

Implementation was capped off by re-branding our ServiceNow instance as “ServiceCentral”, which would become the hub of service management for IT, HR, Facilities and Safety & Security functions in the agency. ServiceCentral remains DOH’s enterprise system from which IT and many HR, Facilities, and Safety & Security services are effectively implemented, administered, automated, measured and improved.

## Business Driven – Formalizing IT/Business Governance

As a governance framework, we developed a pyramid of governance groups to help define roles and responsibilities within the ServiceNow platform. Some of these groups and their members were previously identified by pre-existing duties within the agency, such as the IT Solutions and Governance teams. From there we created Enterprise System Governance by building out business focused governance groups made up of key business division stakeholders who could act as subject matter experts and divisional representatives to ensure business needs and their corresponding priorities were appropriately considered and weighed across the agency.

The foundation of our enterprise governance framework pyramid are the service owners and customers. They help identify needed improvements to the business and technical services. The customer group is 1,800 people strong. To drive focused customer feedback, we created ServiceNow champions throughout the agency who share a passion for service effectiveness, operational efficiency and customer service excellence. We also built customer surveys into the ITSM tool to drive more immediate transactional feedback, which is monitored and responded to regularly. We have approximately 20 service owners that encompass IT, HR, Facilities, and Safety & Security, who meet monthly to ensure services from these selected business towers are being managed and delivered efficiently and cost effectively.

The second tier in the pyramid is the Enterprise Release Management Support Team. This group is comprised of System Administrators, Developers, CSI Leadership, Business Analysts, Testers and Trainers. This group provides technical oversight and subject matter expertise regarding technical features and system functionality. The primary responsibility of this group is to translate business needs into technical capabilities to determine solution viability and work effort required. This team also maintains the agency's global technical platform governance.

The third level is the DOH IT Solutions team. This group is comprised of Development Supervisors, Business Analysis Supervisors, Business Liaisons, IT Architecture Team Members, and IT Security Leadership. Their responsibility is to ensure compliance with enterprise standards and consider interdependencies with other enterprise systems and agency infrastructure. This group is tasked with making recommendations for use of Enterprise Systems to meet business needs based on various factors such as cost, interoperability, supportability, technology, usability and security.

The fourth level is the ServiceCentral Steering Committee. This group is comprised of high-level agency leaders who represent the interests and concerns of their divisions and constituents. They evaluate the benefits, roadmap and strategy. They review and approve system policy decisions and recommend the priority of system projects to the IT Governance Group.

The highest level of the Enterprise Governance pyramid is the IT Governance Group. This group is a combination of IT Managers and DOH Agency Leadership. The primary goals of the IT Governance Group are to assure that the use of technology generates business value and that IT services and resource allocation are aligned strategically to meet business needs. The group will provide guidance and make high-level decisions regarding IT project viability and prioritization. For enterprise systems, the group will make overarching policy decisions, prioritize projects, and approve the roadmaps based on considerations from Steering Committee recommendations.

## Benefits and Outcomes

Results of the Service Management Transformation Project were immediate and agency-wide. Key performance measures across multiple disciplines showed significant service improvements at all stages of the service lifecycle. With new processes and technology in place and with IT/Business governance driving a collaborative partnership, resources were more effectively aligned with key business objectives and properly focused on business driven priorities. This new operating model fully leveraged automated service workflows, optimized service delivery, and facilitated service excellence.

Metrics from 2016 to 2017 reflected overall service delivery time decreasing by 50 percent from six days to three days – mostly a result of automated workflows that streamlined the request process. Service automation optimized submission, approvals, escalation, task workflow and delivery. This resulted in faster service delivery, while freeing up valuable people resource time for both the business and service providers, which could be more effectively utilized elsewhere.

The institution of a centralized Service Desk provided a central point of contact for the agency. The Service Desk function combined with Incident and Knowledge Management resulted in over 90 percent of incidents being resolved at first contact, up from less than 70 percent prior to the transition. This freed up valuable Tier 2 and 3 resources who then focused on strategic business initiatives and the implementation of over 600 documented business driven service improvements in the first year alone.

The implementation of Change Management provided the needed governance around changes introduced to the production environment. This resulted in the introduction of a Change Advisory Board (CAB) made up of both technical and business experts who review changes for completeness and risk mitigation. Change Management processes and CAB oversight has resulted in a 95 percent change success rate for changes being implemented without causing unplanned production outages or the need for roll back.

Quicker service, immediate incident resolution, and successful backend service processes have resulted in an overall improvement in the customer's perception of service delivery and more importantly a dramatic improvement in overall customer satisfaction. Customer satisfaction rates have increased from 77 to over 90 percent, and they continue to climb as processes are optimized and services are improved.

To continue the successes achieved, a robust Continuous Service Improvement (CSI) process was developed as a key component of the transformation. Each service improvement request or idea is entered in a CSI register and vetted through a network of business and IT subject matter experts to ensure proper prioritization, along with continued alignment with business needs and agency objectives. This process also keeps the partnership between IT and the Business alive and effective. CSI meetings are conducted with stakeholders monthly with both Business and IT at the table to cover key performance measures, status of CSI register items, and drive business priority for newly discovered service improvement opportunities. This process continually breaks down silos by encouraging cross-agency collaboration and emphasizing the importance and value of giving all stakeholders a voice in ongoing service initiatives.