3 STEPS TO DRIVE STRATEGIC OUTCOMES ACROSS THE ENTERPRISE

How to plan, prioritize, and execute business investments to deliver value faster

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Speed transformation with strategic and flexible portfolio management

Under constant change and economic uncertainty, today's business environment can be a bit of a rollercoaster ride. In fact, 88% of executives think their customers are changing faster than their business can keep up.[1] Each twist and turn demands that you pivot quickly to keep digital services running 24/7 and give your customers and employees exceptional experiences. In the face of these challenges, establishing operational excellence depends on your capability to successfully drive strategic outcomes across the enterprise.

This is why strategic portfolio management (SPM) is essential. According to Gartner, digital leaders are increasingly seeing SPM as crucial to digital acceleration, but surprisingly only 16% of organizations were found to be effective at it.[2] In fact, 31.4% of high-performing companies listed strategic planning as one of their top three capabilities, compared to only 17.9% of low performers.[3] What's needed is a solution that tightly aligns strategy to execution and management, with the agility to pivot quickly when circumstances change.

The state of things

- **90%** of all organizations fail to execute their business strategy.[4]
- **67%** of strategic plans fail because teams can't adapt to changes in vision.[5]
- **11%** of project budgets are being wasted every year due to poor performance.[6]
- **70%** of digital investments by 2025 won't deliver expected business outcomes without SPM.[7]

[1] Accenture, The human paradox: From customer centricity to life centricity, 2022

[2] Gartner, Key Findings From the 2022-2024 Strategic Portfolio Management Frameworks, Processes and Tools Survey, 2022

[3] ServiceNow, World of Work Global Survey, 2023

[4] Business 2 Community, 90% of business strategies fail due to poor execution, 2022

[5] Inc. Magazine, Why 67 Percent of Strategic Plans Fail

[6] Project Management Institute, A New Way Forward

[7] Gartner, Critical capabilities for strategic portfolio management, 2022

Turn ideas into outcomes and deliver more value

It's simpler to turn strategies into successful business outcomes when you can align all your work on a single platform with a 360-degree view.

With ServiceNow SPM, you can seamlessly streamline all demand and work through a centralized lens and ensure stakeholders in the demand-to-value lifecycle can see their investments.

Whether you follow a waterfall, Agile, or hybrid methodology, SPM provides a clear view to create more value for your organization.

Forrester Consulting conducted a Total Economic Impact™ (TEI) study of ServiceNow SPM. Overall, the analysis found $28.9 million in benefits and savings for an organization over three years using SPM—versus costs of $6.22 million without it.[8]
Some of the outcomes include:

$9.7M in gains from faster time to value of strategic initiatives

$10.2M less spent on nonproductive projects

$1.6M in savings from streamlined approvals

$1.1M in savings from efficient planning

In this guide, you'll discover a practical three-step plan to help your organization successfully fulfill its strategic goals:

Strategize

Prepare the road-map to accomplish goals by prioritizing the most impactful work that will drive meaningful business outcomes.

Align

Strengthen your capacity to adapt and succeed by honing your ability to respond swiftly and decisively to changing circumstances.

Deliver

Maximize value for your customers and organization by increasing the work that directly supports your strategies.

[8] Forrester, The Total Economic Impact™ of ServiceNow Strategic Portfolio Management, 2023

STEP 1: STRATEGIZE

Road-map your strategy to maximize outcomes

To drive strategic outcomes across the enterprise effectively, you need to road-map your strategy.

How? By providing all the capabilities—including strategy capture with goals and OKRs, portfolio management, and work execution—to align the organization and offer the tools required to deliver business and customer value.

When you can focus on the right things to achieve the right results, you ensure leaders fund the right work for optimal returns. You can clearly see if you're meeting objectives and making decisions with confidence.

Use SPM to:

- **Build clearly defined yet adaptable roadmaps:** This allows you to capture all strategies and targets.
- **Ensure your strategy supports your business outcomes:** Capture and track progress against strategic goals and desired outcomes to provide real-time visibility into strategic performance.
- **Plan your initiatives and gain performance visibility to course correct as needed:** Because plans are updated in real-time, you can quickly adjust to see how changes impact dependencies, milestones, and related initiatives.

> **When you can focus on the right things to achieve the right results, you ensure leaders fund the right work for optimal returns.**

SPM IN ACTION

Western & Southern Financial Group

Western & Southern uses ServiceNow to coordinate financial services, business strategy, and investments

To support a maturing portfolio process, U.S.-based Western & Southern Financial Group implemented the SPM solution from ServiceNow. Now, Western & Southern has the foundation to align business needs and investments to drive revenues and increase operational efficiency.

→ Learn More

"ServiceNow handles the full portfolio lifecycle, from initial ideation to final delivery, which means we make better decisions and execute more effectively."

Lisa White
IT Portfolio Analyst, Western & Southern Financial Group

90% of strategic work on time and on budget

90% of demand aligned to strategic business priorities

32% of targeted work focused on growing the business

STEP 2: ALIGN

Ensure investments support the strategy

Once you've mapped your strategy and goals to maximize outcomes, the next step is to thoughtfully align your investments to implement the strategy. This process is important: It makes it easier to accurately determine what investments are needed to support your strategy and achieve the business results you want.

Use SPM to:

- **Create a centralized view of all demand and work:** Easily show all intake (demand) from across the business and all in-flight work in a single location to improve visibility.
- **Continually prioritize work to increase your business agility:** Simplify the planning process with more flexibility in prioritizing, planning, and sequencing of work to improve responsiveness and reduce disruption.
- **Ensure all stakeholders have visibility into all planned work and managers have visibility into each strategy:** Take advantage of traceability and set targets and monitor to ensure value is being realized.

90% of the same resources are allocated to the same investments year over year.

Gallup, "Leaders: Bring Your Strategy Back Into Focus," Vibhas Ratan Jee

SPM IN ACTION

Financial services company modernizes digital workflows with ServiceNow to further align IT with business goals

A major financial services company based in the U.S. implemented the SPM solution from ServiceNow enterprisewide to make services and data available through a single, easy-to-use portal. SPM has dramatically improved the oversight, management, and resourcing of global IT projects.

"With ServiceNow, we have so many capabilities we didn't have before. The net result is we're not just supporting the business of IT anymore—we're supporting the business of [our company]."

Director of Service Enablement for financial services company

Improved transparency leading to better prioritized portfolios

Faster and better resourcing decisions

Alignment of IT organization with business goals

STEP 3: DELIVER

Manage work using any methodology

Once you've aligned investments to implement the strategy, you can deliver work faster using any methodology. With SPM, you can execute Agile, traditional, and hybrid project work in parallel, so you can use the best approach to achieve strategic goals. Myriad disparate tools are no longer needed. You get a clear, consolidated view of all work. This capability allows your organization to:

- **Accelerate benefits and value realization:** With Agile, traditional, and hybrid project management on one platform and based on one data model, you can get to market faster, meet customer expectations, and thwart disruption.
- **Deliver work through hybrid portfolios:** Take advantage of enabling tools to do work across all methodologies while supporting rapid adjustments.
- **Enable line of sight from work to strategy:** Seeing the strategy, teams can see the value they're adding, so you're more likely to achieve goals and desired outcomes.
- **Provide end-to-end visibility to increase collaboration across stakeholders:** Enable all teams to view what they deliver together to improve the flow of work, build better products, and solve problems.

SPM IN ACTION

Global IT service provider elevates project management excellence with ServiceNow

One of the world's leading IT service providers implemented ServiceNow SPM to upgrade its aging project management. The company was able to integrate IT workflows across the business and seamlessly deliver critical projects.

"There are vast automation and efficiency drivers when you bring IT service management and project management together. Collaboration between service and project managers is a huge driver for speeding up project delivery and time to market."

VP of Global Project Services for global IT service provider

20–50%	reduction in PMO support
€2.5M	in estimated efficiency gains
32%	of work managed in hybrid/Agile

Extend automation everywhere

ServiceNow workflows can move mountains of automation, elevating the employee and customer experience while driving efficiency across the enterprise. But chances are, you also have unique manual workflows and islands of complex technology that won't be covered by our packaged solutions.

Intelligent automation from ServiceNow is made up of key low-code tools and connectors to help you blaze the trails of automation between the mountains and ascend the highest peaks. You will have the end-to-end automation you need to quickly create custom apps and unify disparate systems. And that means faster innovation and reduced costs for your organization. Take advantage of this technology to:

- Optimize manual or legacy processes to deliver extraordinary customer experiences.
- Uncover new automation opportunities and gain full visibility into operational health.
- Connect any system, data, or document to ServiceNow workflows.
- Expand your pool of AI-enabled developer talent to rapidly build low-code apps.
- Increase the productivity of your most skilled developers with the power of GenAI.
- Apply enterprise standards to govern app quality and data security.

Turn to ServiceNow to respond faster to changing business needs in SPM. Use a single automation platform that connects people, processes, and systems to both packaged and custom digital workflows.

→ Learn More

5x more automation is enabled by market leaders vs. their counterparts.

Bain & Company, A New Dawn for Automation

Expected outcomes from extending automation in the enterprise

20%	increase in revenue and pipeline
15	legacy apps consolidated onto one platform
40%	drop in manual transaction processing
4X	faster delivery of apps

Source: ServiceNow customer results from case studies.

Get even more value from service operations with the help of a ServiceNow partner.

Fulfill your strategic goals and deliver more value, faster

The path to fulfilling strategic goals with successful outcomes can be confusing. But it's never been clearer that enabling operational excellence with SPM can light your way. By road-mapping strategy to maximize outcomes, aligning your investments, and delivering work using any methodology, your organization can confidently and boldly build a digital foundation on which your customers and employees have exceptional experiences and the enterprise can thrive.

1 Strategize

Road-map strategy to maximize outcomes

Focus on the right work to achieve the right business results

→ Learn More

2 Align

Ensure investments support strategy

Respond quickly and decisively when changes are needed

→ Learn More

Innovate

Drive digital transformation

Results

- **Deliver** work on time and on budget
- **Increase** velocity using any work method
- **Realize** value throughout your organization

Track

Track business outcomes

3 Deliver

Manage work using any methodology

Increase the amount of work delivered that is aligned to strategy

→ Learn More

For a deeper exploration of SPM at ServiceNow, we recommend the following resources:

Ebook: Align strategy and delivery

Empower your organization to drive successful business outcomes. Discover how to align strategy with work to achieve your strategic goals while quickly adapting to change.

Read Ebook

Solution brief: Strategic Portfolio Management

Understand how SPM empowers teams to plan and execute work in any method while consolidating and centralizing business demand.

Learn More


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SOLUTION BRIEF

Strategic Portfolio Management—the thing you've been missing

Many organizations use project portfolio management (PPM) to solve a multitude of challenges. But the truth is, it's not delivering on its promises. It's difficult to develop and maintain alignment between strategies, investments, and outcomes despite leveraging PPM. This means organizations continue to fail to optimize their return. Project Management Institute (PMI) has pointed out for well over a decade that enterprises continue to waste money on bad project performance (9.4% of project budgets in the latest report).

At ServiceNow we believe the solution is what we call Strategic Portfolio Management or SPM. We define that as empowering leaders to translate strategy into outcomes that drive business value. It allows organizations to prioritize and fund what matters most, build a roadmap to guide investments, communicate plans, and track progress. SPM empowers teams to plan and execute work in any method while consolidating and centralizing business demand.

But how do you create an SPM environment? ServiceNow is here to help and has identified three distinct steps:

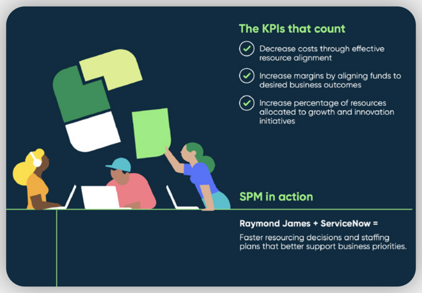
1. Roadmap strategy to maximize outcomes
2. Align investments to implement strategy
3. Deliver work using any methodology

"By 2025, 70% of digital investments will fail to deliver the expected business outcomes in the absence of a strategic portfolio management approach."
– Gartner 2023.

Infographic: Strategy, delivered

It's hard to develop and maintain alignment between strategies, investments, and actual work. See how you can deliver work that is aligned to strategic priorities and optimized for customer value.

Get Insight



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About ServiceNow

ServiceNow (NYSE: NOW) makes the world work better for everyone. Our cloud-based platform and solutions help digitize and unify organizations so that they can find smarter, faster, better ways to make work flow. So employees and customers can be more connected, more innovative, and more agile. And we can all create the future we imagine. The world works with ServiceNow™. For more information, visit www.servicenow.com.