

The future of service management

**New user preferences, new technology,
and new ways of working**



What you need to know to succeed

A close look at what's happening in the world of service management—and how you can be ready for what's next

The three lenses

Every successful business transformation begins with a clear view of where we are and where we want to go.

Transforming service management to succeed in the future is no different.

However, to get a proper view of the gap between where we are now and where we need to get to, it is necessary to examine the situation from the correct angles. The goals for the future of service management are different now, so the lenses we must use to look at it must be different. Some of these are new to the service management world, but all of them are essential to building effective, efficient, future-proofed service management in your organization.



How employees access services and support is a key part of the overall employee experience.

We'll look at why the employee experience matters, where corporate services fit into the equation, and how you can use experience design to meet and exceed your employees' expectations.



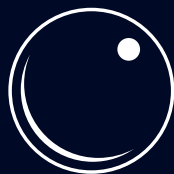
The future of service is about driving the pace of change, not maintaining a stable state.

We'll examine why the service management mindset needs to shift from a static perspective of incremental change to one of continuous transformation—and how you can achieve this.



AI is a radical disruptor in the service management space, demanding new thinking, new approaches, and new skillsets.

We will explore the tensions between hype, expectations and project reality, and explore key questions such as 'Do we trust AI?', 'Where can AI add value to service management?', 'Are we ready for it?', and 'How do we structure projects for success?'



The experience lens

The case for a modern service experience



Employee expectations have changed

In the last few years, we've lived through a decade or more worth of change. Whatever generation we were born into, we're all digital natives now. The way we work has changed. The way we get help at work has also changed. The physical employee experience has become the Digital Employee Experience (DEX). Digital is now the channel of choice. We have higher expectations of service, and we're less tolerant of bad experiences—in our consumer and working lives.

Liquid expectations

A great experience with one brand quickly becomes an expectation for all others—regardless of context. Expectations change quickly. A great experience with Amazon on one day reshapes a person's expectations of an interaction with Spotify on the next.

These liquid expectations flow across brand and industry sectors. Consequently, employees aren't comparing the service experience your organization provides with past corporate experiences; they're comparing it with their consumer life experiences.

It's a high expectation to meet and keep up with. It's liquid because it flows from one context to another—and is a constantly rising waterline.

Why Employee Experience (EX) matters

92% of employees say that a good employee experience contributes to better work performance.

64% of employees would leave their current employer for one offering a better employee experience.

Source: ZipDo

Workers are demanding more from their employers. More support to enable the mission they were hired for. More technology to help them do their best work, quickly. More flexibility so that they can achieve the work-life balance they want.

Service management is a key part of the employee experience

Culture is a big part of the overall EX, but IT services and the broader corporate service ecosystem are the critical components that enable day-to-day productivity. These services have a direct impact on the quality of the employee experience—influencing engagement, happiness, productivity, profitability, and churn rate.

Employees have been waiting for the employee experience to catch up with their consumer-life experiences. Now it is time to deliver.

What you can do about it

Put employees at the center of the enterprise service ecosystem. Re-orientate service design to focus on outcomes for employees, not the components involved in the delivery process. Designing services from an operations perspective is like designing a restaurant around the kitchen instead of the diners.

Assign an accountable owner to the overall employee service experience—someone who takes a holistic view of experience, represents the employee community, and works to drive continuous improvement.

To keep things on track, shift the focus of your metrics from historic process performance metrics to experiential metrics like customer effort and customer satisfaction.



The ITSM lens

Shifting from evolution to transformation

The legacy of the status quo

The service management market, historically shaped by frameworks like ITIL™, has largely been designed to maintain the status quo. It enforces standard procedures and favors incremental change over transformation.

This traditional approach often stands in stark contrast to the ethos of digital transformation, which demands agility, innovation, and rapid evolution. The gravity of legacy ITSM thinking can mean that an organization is held back from achieving its potential.

Market insights

Our big-data-driven market analysis model monitors trends across the service management sphere. It has been running continuously for 5+ years, collecting 7.5 million data points every week across 20,000 UK organizations.

The model reveals patterns that signal how the ITSM market is changing in real time—and what we're observing is striking.

Organizations are showing regular spikes of intent, recurring every 3 to 6 months, with the spikes increasing in amplitude each time. This indicates that despite attempts at transformation, problems are not being resolved at the root. The underlying inefficiencies persist, and employee frustration grows. Ultimately, repeated transformation blockers result in ITSM tool substitution.

A market in transition

The service management ecosystem—built on ITIL, COBIT, and other frameworks—has always focused on proactive and reactive resolution. Now, the emphasis is shifting toward capabilities that enhance EX and operational efficiency:

- Self-healing to automate resolution.
- Knowledge generation to accelerate resolution.
- End-to-end service automation.
- Agent deflection.

AI's evolving role in ITSM

Across the board, buyers in the ITSM market are focused on:

- Driving efficiency
- Improving the employee experience
- Automating and deflecting routine interactions

New technologies are enabling frontline ticket deflection, better routing via self-service, and intelligent triage—often directly from collaboration tools like Microsoft Teams. This enables service desk agents to spend less time on repetitive work and more time supporting new technology needs—helping to accelerate business transformation.

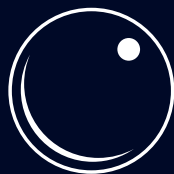
Two to three years ago, artificial intelligence began gaining serious traction in service management, with steady quarter-on-quarter growth. But in the last 12 months, we've seen a distinct shift.

AI, ML, and AIOps are now appearing in combination—paired or grouped with use cases like organizational transformation, collaboration, or major incident response. These are not general AI implementations; they are contextual, purposeful applications of AI—targeted to specific ITSM use cases.

Examples include:

- ESM transformation + AI
- Collaboration + Major Incident + AI

What this shows is that AI is no longer viewed as an isolated innovation. Instead, it's being embedded into specific, high-value use cases that materially improve outcomes—whether it's solving a Monday morning backlog or streamlining midweek escalations.



The AI lens

The intelligent engine powering next-generation service management



How to approach agentic AI

AI is a transformative force in the workplace, but when it is applied without proper consideration, organizations can suffer unintended consequences. Research firm, Gartner Inc., reports that up to 85% of enterprise AI initiatives fail. Rushed AI projects have a high chance of failure and make it difficult to get buy-in for future projects.

75% of companies lack a clear approach for integrating generative or agentic AI in ways that deliver positive employee outcomes.

Source: Accenture's 2025 Life Trends Report

Gaining a full understanding of what you want to achieve, and how you should approach the implementation, is critical. The application of AI requires organizational change management—including strategy, governance, education, and communication.

- Identify specific service management use cases where AI can reduce effort, accelerate work, and improve outcomes.
- Match specific AI tools to use cases—instead of trying to adapt general AI tools.
- Start the project by gaining a full understanding of the risks, data quality issues, and unique aspects of AI projects.

Data is the #1 technical challenge

Poor data is the main reason AI projects fail. Whether it's routing tickets, managing SLAs, or deflecting tickets, every ITSM and ESM capability depends on clean, categorized, and complete information.

70% data coverage is considered the industry benchmark required to deploy agentic AI. But 70% still leaves a lot of room for hallucination, misinformation, and missed automation opportunities. More data coverage means more of your AI-powered use cases can be implemented—and perform at the desired level.

At Hornbill, we've created custom ML tools that focus on the quality of the underlying service management data. These tools are a catalyst to boost data coverage from 70% to 97%—creating a more stable data foundation which powers high-performing, context-aware AI solutions.

Becoming AI-ready

Data quality audit. Identify gaps in record completeness, categorization, and accuracy. Fill gaps and improve data integrity to get more reliable AI responses, better search results, and improved reporting fidelity.

Knowledge management review. Identify outdated or inaccurate articles. Highlight missing content. Surface opportunities for agent deflection by using self-service how-to articles.

Automation opportunity mapping. Analyze current processes to find automation-ready use cases. Some may require traditional process and task automation. Others may require AI injection to achieve end-to-end automation.

Once your data foundations are solid, the next step is to decide where to focus innovation. This isn't about experimenting with technology—it's about strategically embedding AI into the service experiences that matter.

The more precisely you identify the service touchpoints and routines you want to transform, the greater the value you can deliver—both for your end users and the service agents who support them. Don't assume you know what your employees want.

AI success isn't just a technical challenge—it's a design challenge. Poorly designed implementations often fail—because they are deployed without understanding where and how it enhances human workflows.



Conclusions

The future of service management is looking bright. There is light at the end of the tunnel. New ways of looking at service experiences, operations, frameworks, and technologies are rapidly transforming life on the service desk, the IT team, and other enterprise service providers.

Augmenting the traditional process view of services with a new experience-oriented approach is transforming the way employees interact with—and perceive—corporate services and service teams. In an era where employee trust and engagement is low, the transformation of the corporate service experience is helping to reassure employees that organizations are committed to supporting them in the mission they were hired for.

In the ITSM sphere, the mainstream adoption of service automation to handle routine work is a much-needed catalyst for the IT team to shift focus from day-to-day IT ops and service delivery onto service improvement, new technology roll-outs, and digital transformation of business capabilities. Service automation has made a real difference to thousands of organizations. Adoption across the market and expansion within organizations is continuing.

The maturation of AI-powered tools for ITSM and Enterprise Service Management (ESM) adds a further dimension to the range of work that is now automatable—opening up opportunities for efficiency far beyond the limitations of what traditional automation can achieve.

As AI continues to develop, we predict (and are creating) successive new waves of AI-powered service management capabilities that will continue to transform life for your service desk, IT teams, and other service teams across an organization.

However, organizations that rush in and don't take the time to prepare the critical aspects of data and organizational change stand a high chance of failure—turning the potential light at the end of the tunnel into an oncoming train. The resulting loss of trust across the organization makes it much harder to pitch a second run at an AI initiative.

Done correctly, the very visible value that AI delivers will open up new opportunities for further AI-powered use cases—inside and outside of the ITSM and ESM spheres.

To succeed, strong foundations must be put in place: clean data, joined-up processes, strong orchestration, and modern organizational change management. But these don't happen in the same way as IT projects used to. AI requires new thinking, new technology, and new ways of working. That's why we're working hard to simplify AI in the service management world—and smooth out your adoption path so you can get to the value, faster.

Predictions on the future of service management

Agentic becomes the largest channel

Driven by consumer-grade digital experiences, hyper-personalized to each user, agentic agents will become the employees' channel of choice for first line interactions. This will drive a mass shift in attention from answering phones to solving novel problems and creating innovative new services that solve business challenges for employees.

Enterprise Service Management becomes pervasive

Enabled by reignited trust in (and focus on) the employee experience, a unified enterprise service experience will become the new model for the employee service experience. Access to all services in one place (across IT, HR, Facilities, Finance, and all other teams) will become a standard expectation for employees. Organizations are increasingly beginning their ESM journey outside of IT—particularly HR teams because they have a responsibility for the employee experience.

100% self-service adoption becomes the target

With a set of compelling and automated digital options available to employees, achieving completely hands-free service and support across a broad range of routine scenarios will become the new norm.

Predictive ticket creation and resolution

Feeding on real-time service and infrastructure data, agentic AIOps agents will predict, log, and resolve infrastructure issues before they impact end-users—making for a more resilient set of services that employees know they can rely on. The best support experience is no experience.

Generative AI goes multimedia

The knowledge artefacts that Gen AI can produce will shift from text how-to's to AI-generated video explainers—walking agents and employees visually through the steps they need to take to solve issues.

The rise of design thinking in enterprise services

Across HR, IT, Facilities, and other teams, considering the employee perspective will become the first step when creating new services. Efficiency is a given. It is the experience that differentiates. But it's not just about the employee experience. The service desk agent experience is also important.

Growth of the shared services model

An AI-powered vanguard of teams and organizations that lead the way in redefining what good looks like will be offered opportunities to provide managed services to other teams, divisions and partners.



Find out more about Hornbill AI for service management

[Hornbill AI brochure](#) →

[AI data readiness services](#) →

[Measuring the value of AI in ITSM](#) →

[Read about our Hornbill AI Lab](#) →

If you have any questions about how you can get started with AI for service management, drop us a line at hello@hornbill.com

About Hornbill

At Hornbill, our goal is to make life at work better for you. Our modern, cloud-based service management solution takes the stress out of delivering a complex portfolio of services to customers and employees. Built for everybody, Hornbill is a single platform for all the service providers in your organization, from IT to HR to Facilities, and beyond.

Hornbill empowers every team in your organization to be 100% self-sufficient with their own service portfolio—no reliance on IT, developers, or consultants to get things done. Codeless setup means people can create new digital service experiences (and the back-end automations that power them) in hours, not weeks—so they can respond faster to evolving needs. People are free to create automations that multiply their productivity and make time to shift focus from routine work to new projects and programs. HR, Facilities, Marketing, IT, Customer Service, and other teams can codelessly automate up to 90% of routine interactions and workloads, making more time for what's most important to your organization.

Enterprise customers across the world use Hornbill to transform how they provide services to customers, employees, partners, and suppliers. They stick with us because we make life simple for them. Hornbill is designed for quick setup, cutting the usual implementation timescale in half. We practice continuous delivery, so customers get new innovations on a weekly basis. And, as a true cloud solution, updates are automatically applied—meaning there are no upgrade projects to disrupt your progress. That's why we've been recognized as a leader in Customer Relationships, Support, User Adoption and Product Direction by organizations like G2.

About the author

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Our CRO Dr Nigel Martin has commissioned more than 20 international research projects across the field of Service Management identifying the latest challenges and innovations in the market today. ITIL trained, Nigel is a recognized expert in customer experience and strategy. He is a previous winner of the Global Information Award and joined team Hornbill from his role as Global Marketing Director of NCR.



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