



Sponsored by:  
ServiceNow

Authors:  
Mutaz Shegawi  
Matthew Marden

January 2020

## Business Value Highlights

390%  
five-year ROI

\$586,000  
discounted five-year benefits  
per 100 caregivers

8 months  
to payback

11 hours  
of additional productive time  
per physician per year

23%  
faster to full productivity for  
new employees

32%  
more caregivers per service  
management FTE

24%  
more efficient IT service  
management teams

# The Business Value of ServiceNow for Healthcare Organizations

## EXECUTIVE SUMMARY

New opportunities and challenges abound for healthcare organizations in the digital era. The extent to which healthcare organizations demonstrate the next level of digital transformation (DX) maturity and become future enterprises will determine their success. Future healthcare enterprises break away from tradition by being digitally determined to organize around high-value, high-growth DX use cases where reinvention becomes commonplace and operations are at hyperscale, hyperspeed, and hyperconnected. The advancement of service management capabilities will be key for future enterprises to take hold, adapt, and evolve in light of the current global context of healthcare and its complexity.

IDC spoke with healthcare providers about their use of ServiceNow to underpin their caregiving operations. Study participants tied improved IT service management (ITSM) capabilities and core business operations achieved with ServiceNow to better pursuing their missions of providing excellent and personalized patient care. ServiceNow has helped them simplify and optimize complex healthcare operations, which in turn allows their caregivers to spend more time with patients and delivering care. Based on interviews with these healthcare organizations, IDC quantifies the value they will achieve through their use of ServiceNow at an annual average of \$9.13 million per organization by:

- Increasing the amount of time caregivers such as physicians and nurses spend with patients through automated and optimized service delivery and integration with electronic health records (EHRs) and other patient systems
- Speeding up onboarding of new employees through improved cross-organizational operational visibility, with improvements in visibility also helping streamline business processes and identify IT and medical device cost savings

- Delivering efficient and robust service management in support of caregiving operations across their organizations, enabling incident management, problem management, and change management teams
- Ensuring more cost-effective IT infrastructure environments with improved asset management capabilities and visibility into hardware and licensing use

## SITUATION OVERVIEW

Healthcare organizations must rethink DX in the industry race to prevail as future health enterprises in the digital economy. With there now being greater clarity about undertaking DX and technologies emerging to facilitate the digital mission, the organizations that aspire to thrive in the future will quickly adjust strategies to connect the digital dots across the future of consumers, intelligence, operations, and work in the pursuit of value. A divide has already formed in healthcare between digitally determined healthcare organizations and organizations that could be considered digitally distraught, and this bifurcation will shape the future of the industry.

Emerging challenges add to existing challenges in the current global healthcare context marked by such themes as increasing costs, workforce shortages, chronic diseases, aging populations, and the rise of consumerism. The future is now, and healthcare organizations must respond by leveraging disruptive technologies and new approaches that can complement, amplify, and augment transformative capabilities across people and processes. As a result, healthcare organizations worldwide look to data as the hard currency for competitiveness and change while acknowledging the need to shift from being data rich to data driven. Becoming data driven, however, is no easy feat and requires new efficiencies to be introduced into clinical and operational workflows that drive process optimization, intelligent automation, next-generational workflows, and disruptive care models across the value chain.

Disrupting the data orientation is key for healthcare organizations to realize the qualities of a true future enterprise that enables better digital engagements and experiences for consumers (and staff), while operations handle ever-expanding data assets to render better decision making and outcomes.

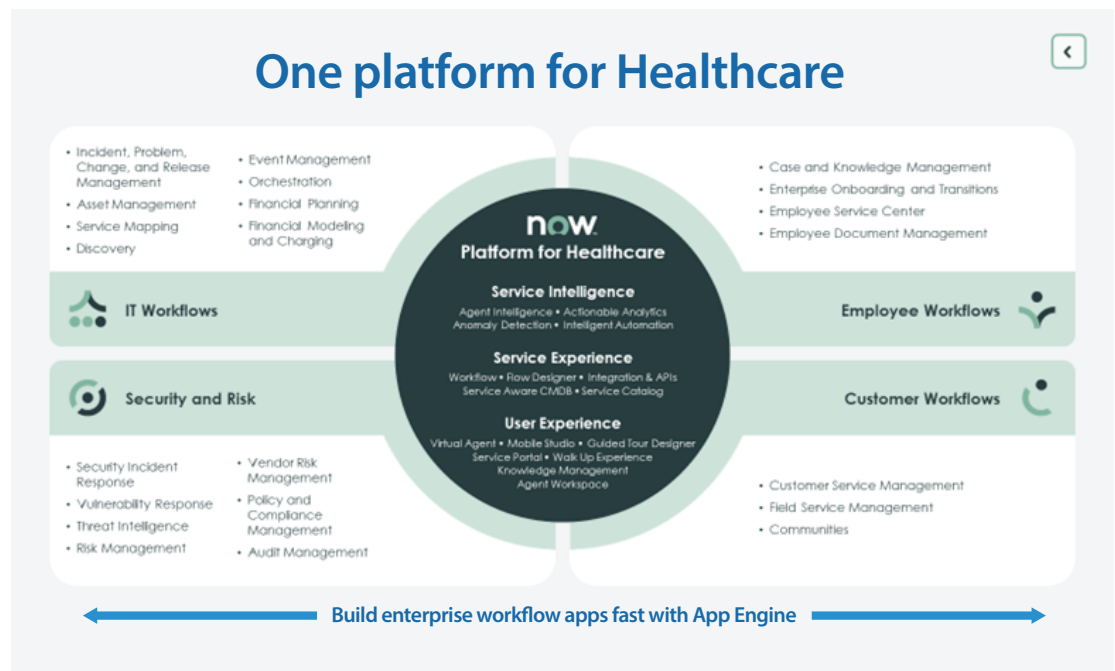
*The future is now, and healthcare organizations must respond by leveraging disruptive technologies and new approaches that can complement, amplify, and augment transformative capabilities across people and processes.*

# OVERVIEW OF SERVICENOW FOR HEALTHCARE

ServiceNow is a Santa Clara, California-based cloud computing company with solutions that cater to IT, employee, and customer workflows across multiple industries, including healthcare. The Now Platform digitizes workflows via capabilities that scale the transformation of clinical and business operations, clinical and employee experiences, and services for patients and providers. The ethos of the Now Platform’s value proposition is to serve as an engine for healthcare organizations to better engage with patients, proactively deliver care, and modernize and optimize IT services while safeguarding against security threats.

ServiceNow’s cloud-based platform delivers IT, customer, and employee workflow solutions to about 5,400 enterprise customers worldwide, including almost 75% of the Fortune 500 (see Figure 1).

**FIGURE 1** Overview of ServiceNow Capabilities for Healthcare



Source: ServiceNow, 2019

# THE BUSINESS VALUE OF SERVICENOW FOR HEALTHCARE ORGANIZATIONS

## Study Demographics

IDC conducted research that explored the value and benefits for healthcare organizations of using the ServiceNow platform. The project included six interviews with healthcare providers that have experience with or knowledge about the benefits and costs of supporting their caregiving and day-to-day operations with ServiceNow. Interviewed organizations were asked a variety of quantitative and qualitative questions about the impact of the solution on their IT operations, healthcare and caregiver operations, and IT and operational costs.

Table 1 presents study demographics and profiles. Organizations interviewed were substantially sized healthcare providers with operations characterized by the IT and administrative complexity that goes with having an average of over 1,600 physicians delivering care to almost 800,000 patients per year. On average across all organizations, 13,833 employees were supported by 542 IT staff members who managed 467 business and healthcare-related applications.

*Organizations interviewed were substantially sized healthcare providers with operations characterized by the IT and administrative complexity that goes with having an average of over 1,600 physicians delivering care to almost 800,000 patients per year.*

**TABLE 1** Firmographics of Interviewed ServiceNow Customers

	Average	Median
Number of employees	13,833	11,250
Number of IT staff	542	505
Number of business applications	467	400
Number of patients/customers per year	790,667	700,000
Total number of physicians	1,633	1,500
Revenue per year	\$2.78 billion	\$2.60 billion

Source: IDC, 2019

## Choice and Use of ServiceNow by Interviewed Healthcare Organizations

The healthcare companies that IDC surveyed described the rationale behind their choice of ServiceNow as well as their use of ServiceNow. Study participants cited the ability of the solution to optimize service management to meet specific demands faced by healthcare providers and help establish a foundation for providing better, more efficient patient care.

Interviewed customers cited specific functionalities of ServiceNow as driving their choices, such as the use of automation to deliver on process requests, the ability to modernize service delivery, and compatibility with EHR environments. Study participants elaborated on these benefits:

- **Provide functional foundation for running healthcare-specific applications:** *“Prior to our [our EHR] initiative, we had attempted for 10 years to use [another vendor’s solution]. We never got that solution to where we wanted it to be. During the transition to [our EHR system], we did an RFP and became big fans of ServiceNow.”*
- **Need to modernize IT service delivery, influenced by reputation and use in healthcare:** *“We were looking for a platform to define how we deliver IT services to the business because ours was a bit antiquated and hard to maintain. We chose ServiceNow because of its reputation and its use across the industry.”*
- **Provide automation for delivering on process requests and workflows:** *“ServiceNow is the third leg of our operational tool with [our EHR solution] and [financial and human management workflow solution]. ServiceNow helps tie the other two together and supports process-type requests and workflows.”*

“ We were looking for a platform to define how we deliver IT services to the business because ours was a bit antiquated and hard to maintain. We chose ServiceNow because of its reputation and its use across the industry. ”

Table 2 highlights the significant use of ServiceNow across the healthcare organizations interviewed, which includes substantial numbers of caregivers whose work is supported by the platform. As shown, an average of 190 locations were supported by 2,232 servers providing compute and application resources for 371 power users of ServiceNow. The average number of caregivers supported — 5,450 — demonstrates the extent to which the ServiceNow platform supports day-to-day caregiving and healthcare operations at interviewed organizations. (Note: All numbers cited represent averages.)

**TABLE 2** Interviewed Healthcare Organizations’ Use of ServiceNow

	Average	Median
Number of locations	190	56
Number of total servers	2,232	2,185
Number of core daily users of ServiceNow	371	355
Number of caregivers supported	5,450	4,850

Source: IDC, 2019

## Business Value and Quantified Benefits

Interviewed healthcare organizations tied their ability to provide service management more efficiently and effectively with ServiceNow to an increased focus on providing patient care. They spoke about the operational challenges of delivering care to hundreds of thousands of patients each year, and how ServiceNow has helped address those challenges through automation, integration with other systems, and improved cross-organizational visibility:

- **Freeing time to focus on patient care through more efficient IT administration:**

*“It is far easier for us to navigate all of our different systems with ServiceNow. This saves administrative time, keeps our head count stable, and generally allows us to do more in less time. As a result, we can focus more time and energy on patient care.”*

- **Optimizing delivery of care in a cost- and resource-effective manner:** *“Across the board, ServiceNow is helping us optimize how we deliver care through automation. We are using the staff we have to solve problems and not add additional head count.”*

- **Supporting healthcare-specific changes and enhancements:** *“We started with ServiceNow with an EHR integration. We’ve added functionality and continue to do so and can now make changes and enhancements at our pace.”*

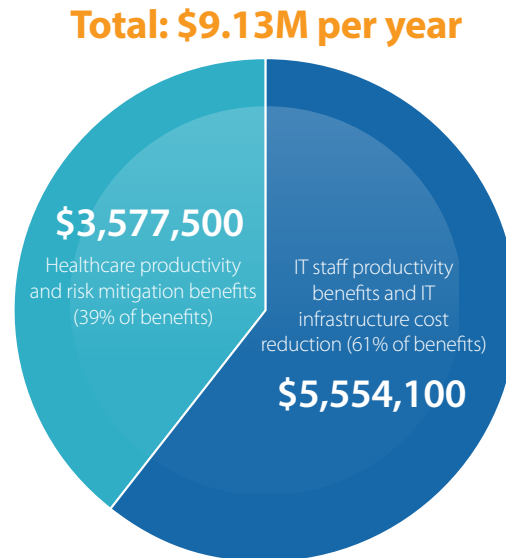
Interviewed healthcare organizations are capturing substantial value through their use of ServiceNow by optimizing their service management activities and enabling more efficient caregiving activities. Based on interviews with these healthcare providers, IDC projects that they will realize benefits worth an annual average of \$9.13 million per year per organization (\$167,600 per 100 caregivers) in terms of the following (see Figure 2):

- **Healthcare business productivity and risk mitigation benefits.** Clinicians, including physicians and nurses, gain back time that they can spend with patients through administrative time savings from automated and connected workflows and systems. Further, other lines of business such as human resource (HR) teams perform more effectively, and the ability to scrutinize healthcare operational expenses leads to cost savings. IDC puts the value of higher productivity for doctors and nurses, other administrative efficiencies, and medical device–related savings at an average of \$3.58 million per year per organization (\$65,700 per 100 caregivers) over five years.
- **IT staff productivity benefits and IT infrastructure cost reductions.** IT service management teams support care and business activities more efficiently and effectively, while improved visibility into infrastructure use results in lower IT hardware costs. IDC calculates that interviewed organizations will achieve IT staff time efficiencies and IT hardware-related cost savings worth an average of \$5.55 million per organization per year (\$101,900 per 100 caregivers) over five years.

“Across the board, ServiceNow is helping us optimize how we deliver care through automation. We are using the staff we have to solve problems and not add additional head count.”

*Clinicians, including physicians and nurses, gain back time that they can spend with patients through administrative time savings from automated and connected workflows and systems.*

FIGURE 2 Average Annual Benefits per Organization



Source: IDC, 2019

*Interviewed healthcare organizations reported that ServiceNow has put them in a position to be more productive overall and deliver better levels of care by reducing administrative burdens on caregivers such as doctors and nurses.*

## Caregiving Operational Improvements

Interviewed healthcare organizations reported that ServiceNow has put them in a position to be more productive overall and deliver better levels of care by reducing administrative burdens on caregivers such as doctors and nurses. These improvements were based on functionalities such as having a single source of truth for IT and administrative resources, automation in terms of service requests, and connected processes and systems. Further, study participants noted important benefits in integration with their EHR systems, with ServiceNow automation enabling more robust and actionable systems in support of their caregiving activities.

Overall, these features of ServiceNow free doctors and nurses to spend more time with patients and focus on delivering the highest possible care. It moves them away from spending their time handling administrative tasks that can be quite time consuming and lead to further clinician burnout. While time savings for caregivers on a daily or weekly basis tend to be relatively small, they add up across the voluminous IT requests and administrative responsibilities associated with caring for hundreds of thousands of patients per year per interviewed organization. Study participants described these benefits:

- **Cross-organizational use and process efficiencies for physicians and caregivers:**

*"We have a custom integration with EHR, so our doctors who use our EHR system on a daily*

“ We have a custom integration with EHR, so our doctors who use our EHR system on a daily basis can open up an incident report in ServiceNow without ever contacting the service desk. It allows them to take that time and spend it with patients — where they belong. ”

basis can open up an incident report in ServiceNow without ever contacting the service desk. It allows them to take that time and spend it with patients — where they belong.”

- **Enabling delivery of services to meet demand generated by modern healthcare services:** “Today’s healthcare is inextricably linked to IT providing services, and ServiceNow is critical to that for us ... The improvement for us with ServiceNow comes from prioritizing and being more efficient. We have limited resources and have to be as focused as we can be.”

Study participants reported productivity gains for physicians associated with efficiencies delivered by ServiceNow. For doctors, shifting time from administrative activities to patient-focused care is a significant benefit. As shown in Table 3, interviewed healthcare organizations attributed 11 hours of additional productive time per doctor per year to their use of ServiceNow, allowing their physicians to focus on caring for patients.

**TABLE 3** User Productivity Gains for Physicians

	Per Organization	Per Physician
Number/percentage of physicians impacted	544	33%
Average gross productivity gain of all physicians	3.80%	3.80%
Equivalent FTEs/increase in hours per year gain in productivity	9.2	11
Total value of higher net productivity for physicians — IDC model*	\$1.84 million	\$1,125

\* IDC model assumes a 15% margin when evaluating the value of higher physician productivity.

Source: IDC, 2019

Interviewed healthcare providers reported similar productivity gains for nursing staff who must juggle the demands of caring for a large number of patients with the administrative work that comes alongside providing that care. Study participants linked the use of ServiceNow to freeing up an average of four hours per nurse per year. As with physicians, this improvement served to allow nursing staff to focus on caring for patients and was an important factor in reducing the amount of administrative work that nurses are required to tackle on a day-to-day basis (see Table 4).



**TABLE 4** User Productivity Gains for Nurses

	Per Organization	Per Physician
Number/percentage of nurses impacted	1,261	33%
Average gross productivity gain of all nurses	1.30%	1.30%
Equivalent FTEs/increase in hours per year gain in productivity	7.5	4
Total value of higher net productivity for nurses — IDC model*	\$1.49 million	\$390

\* IDC model assumes a 15% margin when evaluating the value of higher nurse productivity.

Source: IDC, 2019

## Other Business Operational Improvements

In addition to the caregiver staff efficiencies described previously, ServiceNow has generated productivity improvements for other line-of-business teams including human resources and accounts payable. Study participants cited the automation of services and improvements in the hiring process among these benefits:

“ServiceNow is helping us organize our HR functions and eliminating much of the paperwork. We use it to identify positions needed, track the process and candidates, and expedite the onboarding of new hires ... Our HR team is around 25–30% more efficient because of onboarding improvements.”

- **Improvements in the hiring process:** “ServiceNow is helping us organize our HR functions and eliminating much of the paperwork. We use it to identify positions needed, track the process and candidates, and expedite the onboarding of new hires ... Our HR team is around 25–30% more efficient because of onboarding improvements.”
- **Operating more efficiently through automated workflow:** “We use ServiceNow to create workflows and operational efficiencies. For example, the voucher process was a time drainer. It had been a very heavy paper process — print out invoices, sign them, send them out interoffice, before being paid by AP. That’s been automated within ServiceNow, which executes the proper workflow for approval.”

These efficiencies lead to demonstrable process improvements for interviewed healthcare organizations. As described, improvements in the hiring process were reported, which has helped study participants streamline the onboarding process for new employees. IDC calculated that it was 23% faster for new hires to reach full productivity with ServiceNow in place. In addition, 42% less staff time is needed to handle service requests from lines of business. Compliance teams are more effective as a result of having a single source of truth (20% higher productivity), and operational cost savings in the form of medical device savings were even recorded (\$53,000 in savings per year per organization).

## Service Management Team Efficiencies

Study participants reported that ServiceNow has enabled more effective service management activities that support their day-to-day healthcare operations. Teams responsible for service management activities interface between IT operations and caregivers and other teams that support caregiving operations. In healthcare organizations, service management teams have the critical role of ensuring that caregivers have robust IT and operational foundations, which they require to deliver personalized and high-quality healthcare services to their patients.

When service management teams cannot keep up with work related to incidents, change requests, releases, and other IT-driven workflows, they cannot adequately support the operational side of providing healthcare services. With ServiceNow, study participants reported that these teams, which include incident management, problem management, and change management teams, face less friction in doing their day-to-day jobs, thus allowing them to take on greater volumes of work and delivering results to caregivers and other line-of-business users in less time. Study participants cited ServiceNow features such as automation, single platform modality, and improved visibility through a common dashboard as contributing to these benefits:

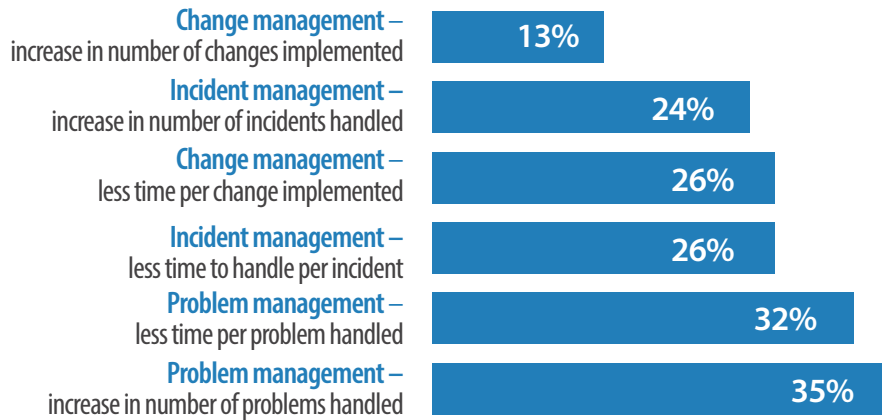
**“** We are using ServiceNow to manage what our teams do with monthly metrics. We get visibility into what our resources are doing, thereby informing and guiding our allocation of resources. **”**

**“** ServiceNow provides better visibility and dashboarding, which helps us better align operations. So far, this has resulted in increased efficiency because our staff can focus on the real problem more quickly. **”**

- **Visibility into activities and having a platform for allocating staff resources:** *“We are using ServiceNow to manage what our teams do with monthly metrics. We get visibility into what our resources are doing, thereby informing and guiding our allocation of resources.”*
- **Mobile enablement and workflow transparency:** *“From an IT perspective, ServiceNow has been huge. It provides transparency of issues and timelines ... We can illustrate that the same issue comes up multiple times and can see patterns. For example, we opened a new hospital in 2017 and found that iPads had more issues than desktops. This allowed our engineering team to swoop in and handle this issue in weeks instead of months.”*
- **Operational alignment:** *“ServiceNow provides better visibility and dashboarding, which helps us better align operations. So far, this has resulted in increased efficiency because our staff can focus on the real problem more quickly.”*

Figure 3 demonstrates the consistent and significant extent to which study participants linked their use of ServiceNow to increasing capacity and efficiency for incident management, problem management, and change management teams in terms of handling more volume (24%, 35%, and 13% more volume handled, respectively) and requiring less time per request (26%, 32%, and 26% faster with ServiceNow, respectively).

**FIGURE 3** Service Management Key Metrics

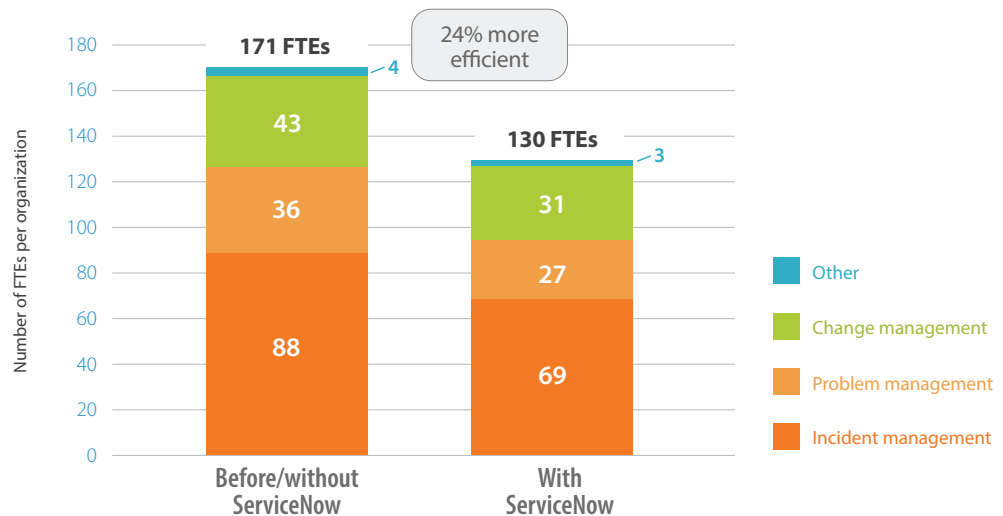


Source: IDC, 2019 % of improvement

*This means that the same teams can handle higher work volumes even as they respond faster to issues, problems, change requests, and other requests from their businesses.*

Figure 4 expresses the impact of these efficiencies in terms of how they enable lean service management teams to operate with greater efficiency. IDC calculated 24% higher efficiency levels on average for these service management teams. This means that the same teams can handle higher work volumes even as they respond faster to issues, problems, change requests, and other requests from their businesses. This, in turn, enables them to meet the increasing demands placed on them by complex and growing healthcare environments — in terms of both operational volume and SLA requirements — without requiring commensurate growth to their service management teams.

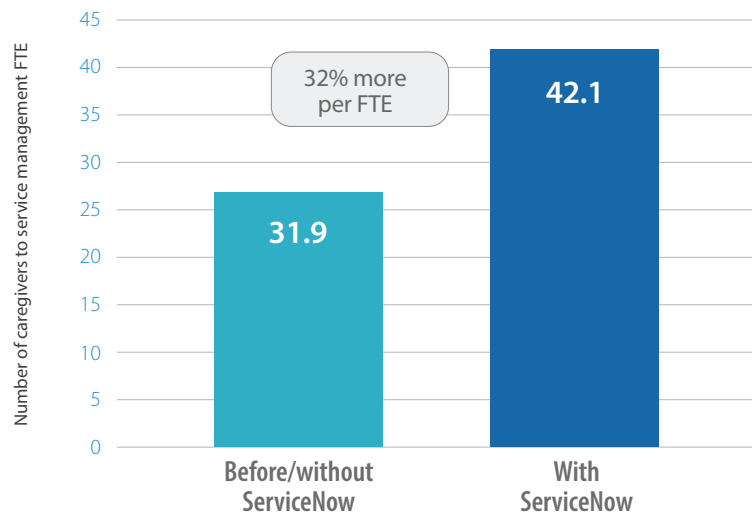
**FIGURE 4** Service Management Team Efficiencies



Source: IDC, 2019

Improved productivity can also be seen in terms of the ability of the interviewed organizations to support more caregivers per service management team member. These teams can handle 32% more caregivers, demonstrating the extent to which ServiceNow supports the efficient use of resources necessary for robust and high-quality caregiving at interviewed healthcare organizations (see Figure 5).

**FIGURE 5** Caregiver-to-Service Management Team Ratio



Source: IDC, 2019

## IT Cost Optimization

Study participants also reported optimizing their IT hardware environments and licensing use with ServiceNow by improving visibility into IT assets and use. As a result, they require 4% fewer servers to run equivalent workloads, allowing interviewed healthcare providers to retire or reuse 99 servers on average per organization. These and other benefits were described by study participants:

“ServiceNow gives us a single pane of glass view into what we have and where we have it ... Previously, we had to aggregate all that information from three or four sources.”

- **Repository for information needed to make decisions about capital investments:**

“ServiceNow gives us a single pane of glass view into what we have and where we have it ... Previously, we had to aggregate all that information from three or four sources. What we are hoping to do more and more with ServiceNow is to use it as the repository, the source of truth to get answers to our questions.”

- **More robust asset management to inform licensing decisions:** “Before ServiceNow, we struggled with the basics around asset management for years, things like, What do we have?”

*Where is it? And who is it assigned to? Addressing this was a baseline goal when we launched ServiceNow in 2017. Add to that the ability to track software that is on each of those systems and you begin to get an understanding of whether you are overlicensed or underlicensed when licenses come up for renewal.”*

*IDC calculates that these organizations will achieve a five-year ROI of 390% and break even on their investment in eight months.*

## ROI Summary

IDC’s analysis of the financial and investment benefits related to study participants’ use of ServiceNow is presented in Table 5. IDC calculates that interviewed organizations will achieve total discounted five-year benefits of \$31.94 million per organization based on service management staff efficiencies, lower costs, and increased caregiver productivity levels described. These benefits compare with projected total discounted investment costs over five years of \$6.52 million per organization. At these levels of benefits and investment costs, IDC calculates that these organizations will achieve a five-year ROI of 390% and break even on their investment in eight months.

**TABLE 5** Five-Year ROI Analysis

	Per Organization	Per 100 Caregivers
Benefit (discounted)	\$31.94 million	\$586,000
Investment (discounted)	\$6.52 million	\$119,700
Net present value (NPV)	\$25.41 million	\$466,300
ROI (NPV/investment)	390%	390%
Payback period	8 months	8 months
Discount factor	12%	12%

Source: IDC, 2019

## CHALLENGES/OPPORTUNITIES

ServiceNow’s key strength appears to be a combination of the company’s market leadership and technical expertise coupled with digital platform-based capabilities for driving enterprisewide applications. The Now Platform serves as an engine that can handle a vast array of service and operational IT management processes that hold the potential to drive key benefits for healthcare workflow automation, seamless experiences, and enterprisewide digital application dispersion.

*The opportunity for ServiceNow stems from its ability to position itself as a service platform and differentiate its offerings in a technology space that is relatively underserved for healthcare organizations.*

The opportunity for ServiceNow stems from its ability to position itself as a service platform and differentiate its offerings in a technology space that is relatively underserved for healthcare organizations. When it comes to operations, healthcare organizations have long held a relatively stagnant approach of looking at traditional areas for IT spend (namely that of infrastructure) but now seek to go beyond and identify new areas for value creation. The Now Platform demonstrates the potential to deliver diversified transformative benefits across a range of operational areas via cross-cutting capabilities such as the service portal, service catalog, performance analytics, onboarding and transition, security incident response, cost management, asset demand, financial planning, machine learning, and virtual agents.

The challenges for ServiceNow will be in articulating the value proposition of its platform in ways that drive healthcare organizations to look beyond the short-term appeal of more traditional operational technologies, workflows, and approaches to investments such as those focused on storage, datacenter, and middleware/connectivity improvements. ServiceNow would benefit its customers by demonstrating the value and ROI of rethinking DX through journey maps that position the Now Platform as a catalyst for service modernization, effortless customer services, and lower labor costs.

## CONCLUSION

Healthcare organizations face challenges common to all enterprises as well as important healthcare-specific challenges. Overall, healthcare providers — like all enterprises — must find ways to manage, maintain, and handle rapidly increasing volumes of data while their ability to operate efficiently and effectively increasingly means extracting value from that data. In addition, they face more healthcare-specific challenges that include reigning in spiraling healthcare costs, workforce shortages, chronic diseases, aging populations, and the rise of consumerism. Both sets of challenges require solutions that enable them to drive efficiencies into clinical and operational workflows.

IDC's study demonstrates the significant value that healthcare organizations can achieve with the ServiceNow platform by digitizing and automating workflows. Study participants from the healthcare industry linked improving their ITSM capabilities and core business operations with ServiceNow to better pursuing their missions of delivering high quality and personalized patient care. The platform not only provides more effective IT services in support of caregiving operations but also frees up doctor and nurse time to spend with patients by streamlining administrative tasks. As a result, interviewed healthcare organizations are achieving strong value in terms of both caregiver time savings and ITSM team efficiencies, which IDC projects will

yield value worth an annual average of \$9.13 million per interviewed organization and result in nearly a 5:1 return on their investment over five years (390% five-year ROI).

## APPENDIX

### Methodology

IDC's standard ROI methodology was utilized for this study. This methodology is based on gathering data from healthcare organizations currently using ServiceNow solutions as the foundation for the model. Based on interviews with organizations using the solutions, IDC performed a three-step process to calculate the ROI and payback period:

- 1. Gathered quantitative benefit information during the interviews using a before-and-after assessment of the impact of using ServiceNow solutions for healthcare organizations.** In this study, the benefits included staff time savings and productivity benefits as well as cost reductions.
- 2. Created a complete investment (five-year total cost analysis) profile based on the interviews.** Investments go beyond the initial and annual costs of using ServiceNow and can include additional costs related to migrations, planning, consulting, and staff or user training.
- 3. Calculated the ROI and payback period.** IDC conducted a depreciated cash flow analysis of the benefits and investments for the interviewed healthcare organizations' use of ServiceNow over a five-year period. ROI is the ratio of the net present value (NPV) and the discounted investment. The payback period is the point at which cumulative benefits equal the initial investment.

IDC bases the payback period and ROI calculations on a number of assumptions, which are summarized as follows:

- Time values are multiplied by burdened salary (salary + 28% for benefits and overhead) to quantify efficiency and manager productivity savings. For purposes of this analysis, IDC has used assumptions of an average fully loaded salary of \$200,000 per year for physicians, an average fully loaded salary of \$100,000 for IT staff, and an average fully loaded salary of \$70,000 for non-IT staff members, including nurses. IDC assumes that employees work 1,880 hours per year (47 weeks x 40 hours).
- The net present value of the five-year savings is calculated by subtracting the amount that would have been realized by investing the original sum in an instrument yielding a

12% return to allow for the missed opportunity cost. This accounts for both the assumed cost of money and the assumed rate of return.

- Further, because use of ServiceNow requires a deployment period, the full benefits of the solution are not available during deployment. To capture this reality, IDC prorates the benefits on a monthly basis and then subtracts the deployment time from the first-year savings.

*Note: All numbers in this document may not be exact due to rounding.*

## IDC Global Headquarters

5 Speen Street  
Framingham, MA 01701  
USA  
508.872.8200  
Twitter: @IDC  
idc-insights-community.com  
www.idc.com

### Copyright Notice

External Publication of IDC Information and Data — Any IDC information that is to be used in advertising, press releases, or promotional materials requires prior written approval from the appropriate IDC Vice President or Country Manager. A draft of the proposed document should accompany any such request. IDC reserves the right to deny approval of external usage for any reason.

*Copyright 2020 IDC.  
Reproduction without written  
permission is completely forbidden.*

## About IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications and consumer technology markets. IDC helps IT professionals, business executives, and the investment community make fact-based decisions on technology purchases and business strategy. More than 1,100 IDC analysts provide global, regional, and local expertise on technology and industry opportunities and trends in over 110 countries worldwide. For 50 years, IDC has provided strategic insights to help our clients achieve their key business objectives. IDC is a subsidiary of IDG, the world's leading technology media, research, and events company.