IT Shared Service Delivery Rises Sharply

Data from the 2018 SIM IT Trends Study shows that organizations continue to increase their reliance on shared services as a delivery model for IT. Over the last two years, the average percentage of IT services offered as shared increased 50.4% (from 42.1% in 2016 to 63.3% in 2018). Over 90% of organizations utilized at least some shared services and 36.6% of responding organizations indicated they deliver more than 90% of all IT in a shared service model.

Interesting changes to the types of shared services have also been observed. While Software-as-a-Service (SaaS) has remained the most prevalent shared service (70.7% of all shared services in 2016 and 68.8% in 2018), Infrastructure-as-a-Service (IaaS) has dropped considerably from 24.0% in 2016 to 16.4% in 2018. This decrease is offset by increases to both Platform-as-a-Service (PaaS) (4.0% in 2016 to 9.4% in 2018) and Process-as-a-Service (1.2% in 2016 to 5.4% in 2018).

Increases in shared service delivery are most likely a result of continued adoption of cloud with 78.9% of responding organizations reported an increase in cloud usage in 2018. Together, this indicates that organizations are finding strategic benefits from cloud investments that keep IT service delivery aligned with the diverse needs of various business units.

Findings like these represent a small fraction of the interesting trends identified from data provided by the 1,295 SIM members who participated in this year's Study. Stay tuned for more insights over the next few months, personal benchmark reports delivered around October 1st to all participants, and the comprehensive report for all SIM members around December 1st. Thanks again to all participating SIM members – observations like these are not possible without your continued support.

As always, we are grateful for the generous support of these IT service providers who help to fund prizes for the SIM IT Trends Study Chapter Challenge Contest:

To become a SIM Knowledge Partner or for more information about this exciting and valuable new program, please contact Porter Rice at price@simnet.org.