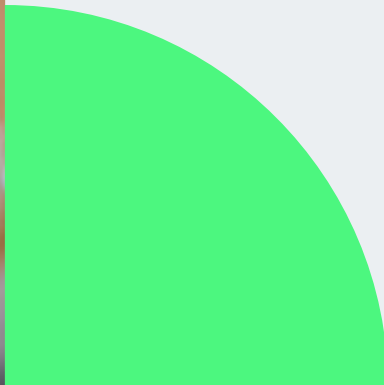


# AI + ITSM: A guide to making IT work smarter, faster, and more efficiently



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# Introduction: AI is changing IT all

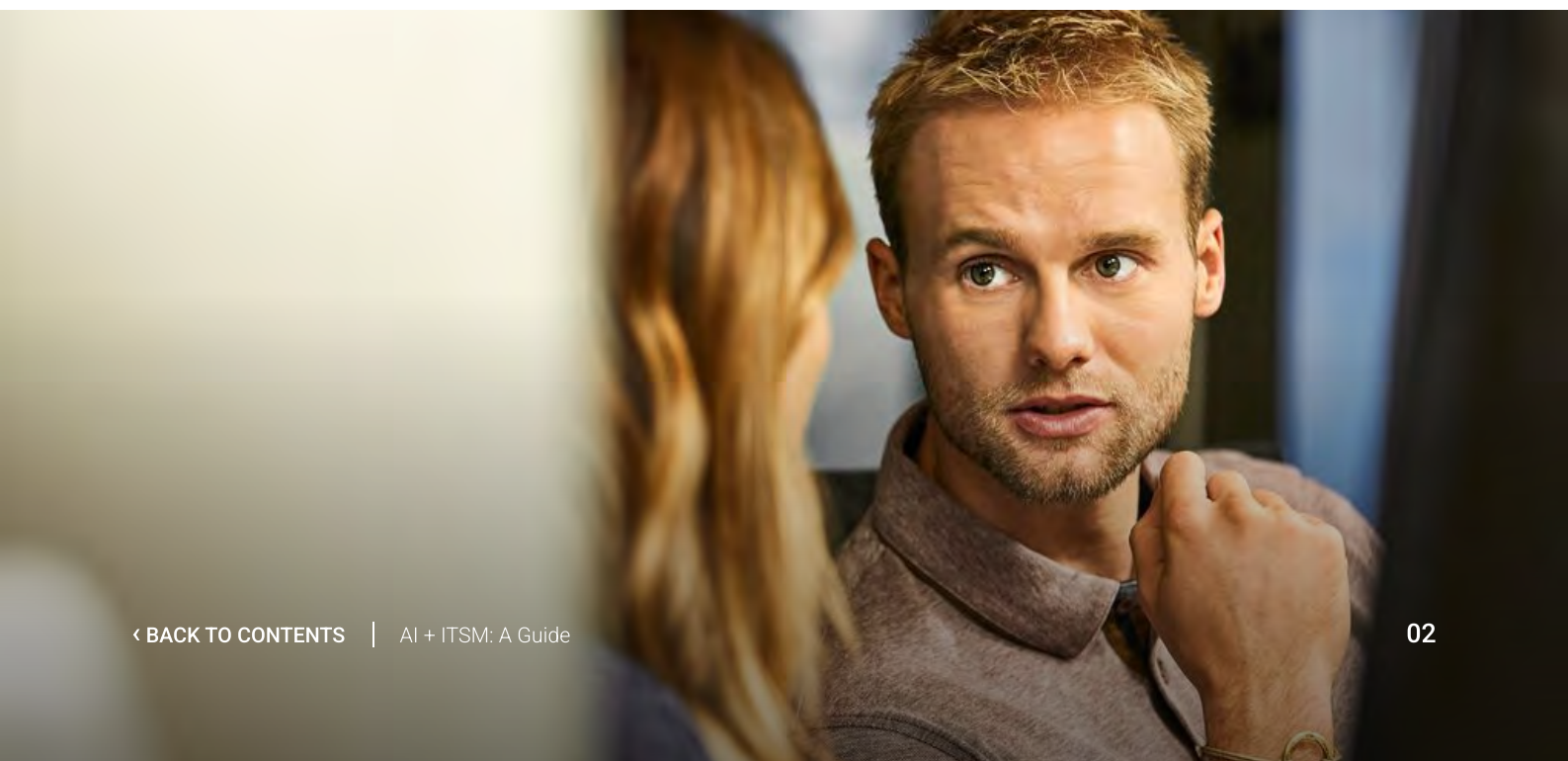
IT leaders face major challenges with IT Service Management (ITSM) today. From increasing complexity of IT environments, growing user expectations, and the need for swift problem resolution, there are big hurdles to overcome.

Generative AI is emerging as a transformative tool in tackling these challenges, offering advanced analytics to predict and prevent issues, automation to streamline repetitive tasks, and adaptive learning to continuously improve processes. The opportunities are boundless if you know how to use AI to your advantage.

This guide explores how IT leaders can navigate complex IT service demands using generative AI. How do we know? Freshworks has been at the forefront of enterprise grade AI-driven solutions such as Freddy AI for years, offering strategies and tools that make AI an indispensable ally in streamlining how work gets done.

**Generative AI is expected to achieve 30% of the overall AI market—or approximately \$60 billion of the total addressable market—by 2025.**

[Boston Consulting Group](#)



# Leveraging generative AI to navigate a complex ITSM landscape

The promise of generative AI extends beyond summarizing and analyzing data. Gen AI's capability to continuously learn on the go makes it particularly suited for many ITSM use-cases.

Gradual shifts have driven AI's evolution in ITSM. Originally focusing on automating simple tasks and queries through AIOps—using machine learning (ML) and analytics to automate IT operations—it has since expanded to more complex functions such as predictive analytics, automated ticket routing, and proactive problem resolution.

AI enables reimagined experiences for teams through automated workflows, task prioritization, and ticket deflection. According to the [Freshservice ITSM Benchmark Report](#), organizations of various sizes see a decrease in the Average Resolution Time (ART) with workflows in place—anywhere between ~14% and ~36%. Service desk integrations enable the smooth flow of data, increase visibility, reduce time to resolution, and enhance user experience. With timely insights, AI can monitor metrics, stay on top of trends and outliers, and take action.

This means ITSM now has a powerful tool that doesn't just respond to service requests but can anticipate and prevent issues before they arise.

**95% of IT professionals see the benefits of using generative AI to help complete work.**

[Freshworks State of Workplace Technology 2023](#)

# ITSM roadblocks slow down agents, employees, and decision-makers

As organizations embrace AI, they're searching for solutions to specific pain points for agents, employees, and leadership.

## **Agents spend too much time on administrative tasks**

Agents must deliver high-quality support every day. But, legacy IT solutions often require a lot of manual administrative work to create and complete tickets. This slows agents down and prevents them from focusing on high-priority tasks. Agents must also possess a wide breadth of knowledge to draft accurate responses to questions, which means lengthy onboarding and training sessions.

## **Employees can't find the answers they need**

Employees expect to talk to IT whenever they need help. They're used to the around-the-clock customer support they receive from large brands. They want immediate action, but without a self-service option, ITSM solutions cannot meet this demand.

## **Decision-makers don't have the right insights**

Leaders want to make decisions on the fly. But if they don't have the right information—or it requires running SQL queries—they can't operate quickly. Sifting through multiple reports to achieve timely insights slows down decision-making and isn't scalable.

**Leveraging AI -powered bots, agents can manage and resolve tickets 57% faster and provide nearly 48% faster first responses.**

[Freshservice ITSM Benchmark Report 2023](#)

# Enhancing employee experiences with AI-driven support

Generative AI can automate tasks such as ticket categorization and prioritization, and it can even draft initial responses to improve the agent experience.

**Increased efficiency:** By automating repetitive and mundane tasks, intelligent automation and AI improve ITSM efficiency. AI can also help identify and address process inefficiencies, leading to faster resolution times, improved response times, and better overall service delivery.

**Improved employee satisfaction:** AI and intelligent automation can also help deliver better employee experience with faster response times, more accurate information, and personalized support. For example, generative AI-powered chatbots can handle routine queries and provide employees with self-service options, freeing up human agents to focus on more complex issues.

**Enhanced insights:** Generative AI can help identify and address potential service problems before they escalate. AI-powered conversational inquiries and recommendations provide business leaders with additional context to analyze and interpret data quickly and intelligently.



**“We’re no longer constrained by our legacy ITSM system. Freshservice automation gives us peace of mind.”**

Fred Chin, Senior Director of IT End-User Services, [RingCentral](#)

# Strategies for implementing generative AI

Integrating generative AI into ITSM demands careful planning and execution. While there are challenges, a strategic implementation plan can drive meaningful business results. Here are a few strategies for ensuring a smooth transition and successful adoption of generative AI. This follows [Gartner's AI Maturity Model](#), which outlines the stages a company goes through as it implements AI: awareness, active, operational, systemic, and transformational.

## **Awareness: Early interest in AI**

Conduct a thorough assessment of existing ITSM workflows and identify areas that can benefit from AI automation. This ensures a collective enterprise consciousness through demonstrated use cases. Engage with employees, key stakeholders, and IT personnel to gather input, address concerns, and build awareness across the organization.

## **Active: AI experimentation in creating value**

Pilot projects and experiment with different AI models in a data-first environment. Evaluate how AI can solve problems while creating value.

## **Operational: AI in production**

Set up processes, maintain models, and integrate machine learning into everyday functions while creating a strategic roadmap for a variety of use cases. Invest in training programs to upskill IT teams and familiarize them with concepts and tools while building and maintaining a robust knowledge base.

## **Systemic: Digital disruption and AI integration**

Establish clear performance metrics to measure the impact of generative AI on ITSM efficiency, employee satisfaction, and incident resolution times. Disseminate the AI model across various functions and products, making it an integral cog of the enterprise machinery. Institute data security policies and practices, and incorporate AI model governance checkpoints to assess how data is being collected and handled.

## **Transformational: AI in the enterprise DNA**

Ensure AI is embedded in the business model and usage of generative AI is purposeful and intentional, impacting all levels of the organization, while complying with data regulations and ethical standards (especially transparency and accountability). Foster a culture of continuous learning and innovation, encouraging IT teams to experiment with AI solutions and share their experiences across the organization.



# KPIs and performance metrics

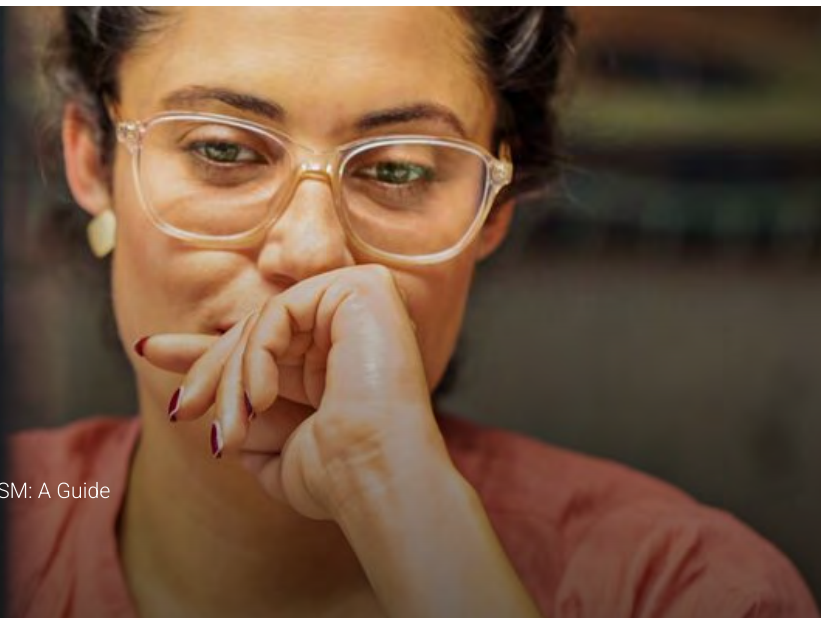
IT leaders can define the right key performance indicators (KPIs) and metrics. While some qualitative advancements cannot be measured, quantitative benchmarks can be tracked.

Here are some important KPIs to consider:

- **Ticket deflection rate:** Organizations using AI-powered virtual agents have ticket deflection rates as high as 46% (Freshservice ITSM Benchmark Report 2023)
- **Incident response and resolution times:** Agents using ML-powered suggestions respond to incidents 23% faster and see improved average resolution time (ART) of 22%. (Freshservice ITSM Benchmark Report 2023)
- **Employee productivity:** Using Freddy AI from Freshservice, organizations can save eight hours generating each report. 90% of that time can be reallocated for productive work. (Forrester TEI report 2023)

A high-level overview of the SLA metrics could be generated almost immediately, which was especially helpful for the senior management team to capture a snapshot of the current state.

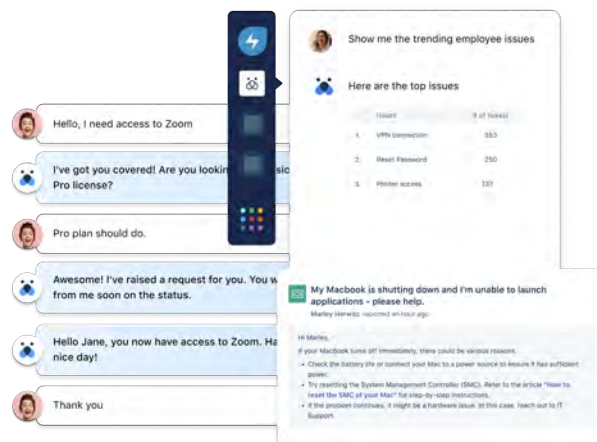
[The Total Economic Impact™ Of Freshworks Freshservice](#)





# Meet Freddy AI: Your trusted enterprise assistant

Freshworks offers AI-powered products that empower business teams. [Freddy AI](#), its native AI engine, supports all Freshworks products, including its ITSM solution, [Freshservice](#). Freshservice uses Freddy AI to deflect tickets, encourage self-service, and deliver insights with three key capabilities:



## Freddy Copilot: Enhance service delivery

When agents use Freddy Copilot, they benefit from rich contextual assistance that helps them deliver delightful experiences to employees. AI provides canned responses that agents can read, revise, and send to employees. Using AI to automatically associate similar incidents helps agents accelerate their response and resolution times.

## Freddy Self Service: Enable effective self-service

Freddy Self Service can resolve incidents and service requests with intelligent virtual agents. When employees have an issue, they just pop in a question and Freddy Self Service gets to work. In many cases, providing additional context about a solution or pointing to an article can help employees find the answers they're looking for. Generative AI ensures conversational responses are available 24/7.

## Freddy Insights: Optimize service operations

Freddy Insights delivers a new level of visibility into service desk performance. AI-powered conversational inquiries and automatically-generated recommendations allow business leaders to analyze and interpret data with additional context so they can make the right decisions quickly.

# OfS decreases its resolution time by 67%

The Office for Students—a regulator for higher education in England—in-house IT team supports the agency's 400 employees. That team is responsible for helping employees, introducing new systems, and ensuring business continuity.

With the goal of rapidly scaling ITSM with Freddy AI self-service and virtual agents, the IT team rolled out Freshservice to the entire organization. Shortly after going live, employees raised over 40% of tickets through the portal, but close to 60% were still reported by email.

To minimize reliance on email as a support channel, the team introduced a virtual agent that helped accelerate adoption of Freshservice. It also improved service delivery standards by collecting all the requisite information in one step.

One year after deploying the virtual agent, the rate of email tickets dropped by 45%. The IT team also saw a 77% decrease in average first response time and a 67% decrease in average resolution time.



**“Adopting the Freshservice Virtual Agent was easy, and the technical rollout took us about 10 minutes.”**

Karen Spray, IT Service Support Manager,  
[Office for Students](#)

# Reimagining the ITSM future with AI

As generative AI advances, IT leaders can use the opportunity to reimagine their approach to service delivery. This guide has explored a comprehensive set of strategies for organizations to implement generative AI in ITSM and improve key performance indicators such as incident resolution accuracy, user satisfaction, and process automation.



Prasad Ramakrishnan,  
CIO at Freshworks

**“Smart, simplified technology, paired with the power of AI, will do more to drive productivity and efficiency than legacy software has done in decades. IT leaders who embrace automation and technological agility to reduce complexity will be the ones whose teams come out ahead.”**

This technology promises not only operational efficiency but also cost savings and enhanced security. The right tech partner can help bring all these benefits to life. With Freshservice you can leverage AI to increase agent productivity, automate responses, and drive consistency of services across the enterprise. Build an AI journey that balances innovation with practicality and ethics with efficiency.

[Request a demo](#)

# About Freshworks

Freshworks Inc. (NASDAQ: FRSH) creates AI-boosted business software anyone can use. Purpose-built for IT, customer support, and sales and marketing teams, our products are designed to let everyone work more efficiently and deliver more value for immediate business impact. Headquartered in San Mateo, California, Freshworks operates around the world to serve more than 65,000 customers, including American Express, Blue Nile, Bridgestone, Databricks, Fila, Klarna, and OfficeMax.

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