For more than three decades, Omnicare has been a leading provider of pharmacy services to the senior care industry. The company operates in over 200 locations across the United States, supplying long-term care facilities and independent senior populations with a broad array of specially packaged medications and pharmacy-related services.

Outsourcing Unlocks Innovation

As a healthcare leader, Omnicare is committed to technological innovations that grow their business and benefit their customers. However, many of their technical resources were tied up managing their existing IT environment. With more than 1,500 servers and 12,000 desktops to look after, developing new capabilities was a major challenge due to resource availability.

To address this issue, Omnicare decided to outsource the day-to-day management of their IT services and infrastructure. This would free up resources for high-value strategic initiatives. Omnicare utilizes three main service providers—one for the support and maintenance of the voice/data network, one which is responsible for their PC refresh program, and the third which is responsible for the 7x24x365 support and maintenance of Omnicare’s applications, data center infrastructure, and the service desk.

No Compromise on Service Levels

However, there was one major proviso. Omnicare’s existing IT team already provided extremely high service levels—and these service levels had to be maintained. To ensure this, Omnicare needed end-to-end visibility and control of their service providers. They also had to make outsourcing transparent to their users, so that the service experience was unaffected.

Kim Liston, Senior Director, IT Service Management, says that, “My philosophy on IT customer service is straightforward. There’s one place to contact, and that’s the service desk. It’s up to the service desk to solve the customer’s problem. It doesn’t matter if there are multiple vendors involved—services have to be seamlessly integrated from the end user’s perspective.”

“...Automation is the only way to keep track of everything in a complex multi-sourced IT environment like ours.”

– Kim Liston, Senior Director, IT Service Management
“ServiceNow shows us which vendor owns an incident or request at any given time—so there’s no finger-pointing or confusion.”

**ServiceNow Was the Obvious Choice**

Omnicare chose ServiceNow to provide this multi-vendor service integration and management (SIAM). Omnicare already used ServiceNow for incident management, problem management, configuration management, service catalog and more—making it an obvious choice for managing their outsourced environment.

Liston says that, “By extending ServiceNow to manage our IT service providers, we could maintain the same level of automation, visibility, process discipline, and service quality. And we didn’t have to start from scratch—we already had a solid, consistent foundation in place.”

**ServiceNow Powers Service Integration and Management**

Today, ServiceNow manages Omnicare’s multi-vendor outsourcing environment, providing a comprehensive SIAM solution. For example, when a user reports an incident via the ServiceNow self-service portal, ServiceNow routes the incident to the correct outsourcing vendor. In some cases, ServiceNow sends the incident over a Web services interface to the vendor’s own management system, and in other cases the vendor uses Omnicare’s ServiceNow system directly. Once the vendor resolves the incident, ServiceNow is updated and the incident is closed. A similar approach is used for service requests, including obtaining necessary approvals.

Throughout this process, ServiceNow tracks the incident’s or request’s progress, using best practices such as timestamping handoff points between vendors—including when multiple vendors are involved. According to Liston, “ServiceNow shows us which vendor owns an incident or request at any given time—so there’s no finger-pointing or confusion. We get accurate SLA reporting for each vendor, along with detailed metrics that let us pinpoint and resolve issues. And the results have been extraordinary—for example, our first contact resolution rate has actually gone up from 85% to 90.1%.”.

**A Comprehensive Solution**

ServiceNow’s SIAM capabilities extend beyond incidents and service requests. Today, Omnicare also uses ServiceNow to manage problems across vendors. Once Omnicare creates a problem record in ServiceNow, they then assign tasks to individual vendors, along with follow-up dates. This allows them to drive problem resolution, continuously improving the quality of the services they deliver. Omnicare also uses ServiceNow to track assets across vendors—for instance, they track laptops as they are purchased by Omnicare, shipped to their desktop outsourcer’s depot, and then issued to Omnicare users.

ServiceNow also helps Omnicare to manage their contractual and financial relationships with their providers of outsourced services. For instance, Omnicare uses ServiceNow data to reconcile monthly invoices they receive from their outsourcing vendors. Enhancement requests are another key area. When Omnicare asks an outsourcing vendor to add new functionality to a system, the vendor records the time they spend on the enhancement directly against the corresponding service request in ServiceNow. Liston sums it up this way, “With IT outsourcing, you must have consistent maintenance and support processes, with measurement points at every step along the way. ServiceNow lets us drive these processes across vendors, and gives us the visibility we need to deliver high-quality services to our users.”