NEWS RELEASE

# ServiceNow Unveils New Research on Government Organizations Setting the Pace for AI-Driven Transformation

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- Most Pacesetters (61%) achieve 1.5X faster returns on digital investments and report better outcomes than their peers.
- Pacesetters are seeing tangible CX benefits from their digital solutions investments, reporting higher increases in self-service success (47%) and higher citizen satisfaction (45%).
- Key insights illuminate the unique ways Pacesetters use AI to improve citizen and employee experiences, strengthen compliance, and scale business processes.

SANTA CLARA, Calif. – October 30, 2024 – **ServiceNow** (NYSE: NOW), the AI platform for business transformation, has released **The State of AI-Powered Transformation in Government**, a global research study on the pace of AI transformation in the public sector. Top findings include a group of AI Pacesetters—government organizations relatively more advanced in using AI and other emerging technologies—that are driving efficiency and achieving better outcomes than organizations that have been slower to adopt AI-powered workflows and automation. Key insights illuminate the unique ways Pacesetters use AI to improve citizen and employee experiences, strengthen compliance, and scale business processes.

According to the research, many government organizations have yet to reap the full benefits of digital technology and relatively few are leveraging innovation to advance their diverse missions. The report outlines best practices implemented by Pacesetters that can be replicated in other government organizations to improve outcomes.

“In today’s fast-paced digital world, governments need AI-driven solutions to meet the evolving expectations of citizens and employees,” said Jonathan Alboum, Federal CTO at ServiceNow. “This report reinforces that leading

governments are already reaping the benefits of AI through accelerated service delivery, citizen experience, and employee productivity. Whether you're a Pacesetter or still in the beginning stages of a digital journey, these findings show that the future is promising for those willing to embrace AI."

Key findings from The State of AI-Powered Transformation in Government include:

Improving Speed of Mission

Pacesetters significantly improve their speed and agility by integrating automation into their organizations' processes. This profoundly impacts both government employees and the citizens they serve.

- Faster time to value with more benefits. Most Pacesetters (61%) achieve a 1.5X faster return on digital investments and report greater outcomes from those investments – including higher asset utilization and return (50%), improved compliance and risk management (49%), and faster public services (41%).
- Automating workflows with end-to-end platforms. Pacesetters are making greater progress in implementing end-to-end platforms, with 67% expecting to make advanced progress within the next three years. Currently, 59% have invented new cross-functional workflows that leverage human and AI collaboration.
- Accelerating productivity and ability to scale transformation. Pacesetters boost productivity via specific digital solutions, such as mobile apps (64%), performance management systems (43%), and AI-enabled tools (38%). Those investments are paying off for Pacesetters, measured by improved staff retention (49%), employee upskilling and reskilling (44%), and productivity (41%).

AI-Powered Citizen Service Delivery

Pacesetters are finding new momentum within their Citizen Experience (CX) efforts through unique uses of AI and other digital solutions. This is not only improving citizen service delivery but also helping build trust.

- Reshaping government services with AI. Governments are using AI in various ways to accelerate citizen service delivery. The top uses for AI among Pacesetters include personalization of citizen communication and engagement, continuous service improvement with feedback loops, and citizen queries and recommendations.
- Technology improves citizen experience and builds trust. Pacesetters are making greater use of apps and automation to reach citizens. Compared to the general population of government agencies in our survey, Pacesetters are more likely to deploy mobile apps that citizens can use to access government services (47%), digital identities for easy and secure access to public services (46%), and automated responses to citizen problems or requests (44%).
- Tech investments are beginning to drive CX improvements. Those embracing AI are starting to see the

tangible CX benefits from their digital solutions investments, reporting higher increases in self-service success (47%) and higher citizen satisfaction (45%).

To view the full research report and uncover how governments across the globe can improve their AI-driven transformation, please visit:
**https://www.servicenow.com/lpwhp/state-of-ai-powered-transformation-in-government.html**.

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Methodology

ServiceNow and ThoughtLab surveyed 1,248 leaders from around the globe and across agency types to determine how much progress government organizations have made in driving AI-powered business transformation across local, state/provincial, and national government organizations.

About ServiceNow:

ServiceNow (NYSE: NOW) is putting AI to work for people. We move with the pace of innovation to help customers transform organizations across every industry while upholding a trustworthy, human centered approach to deploying our products and services at scale. Our AI platform for business transformation connects people, processes, data, and devices to increase productivity and maximize business outcomes. For more information, visit: **www.servicenow.com**.

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Press contact:

Kelly Sandberg
**servicenow@merrittgrp.com**