

Managing a Multi-Instance ServiceNow Strategy

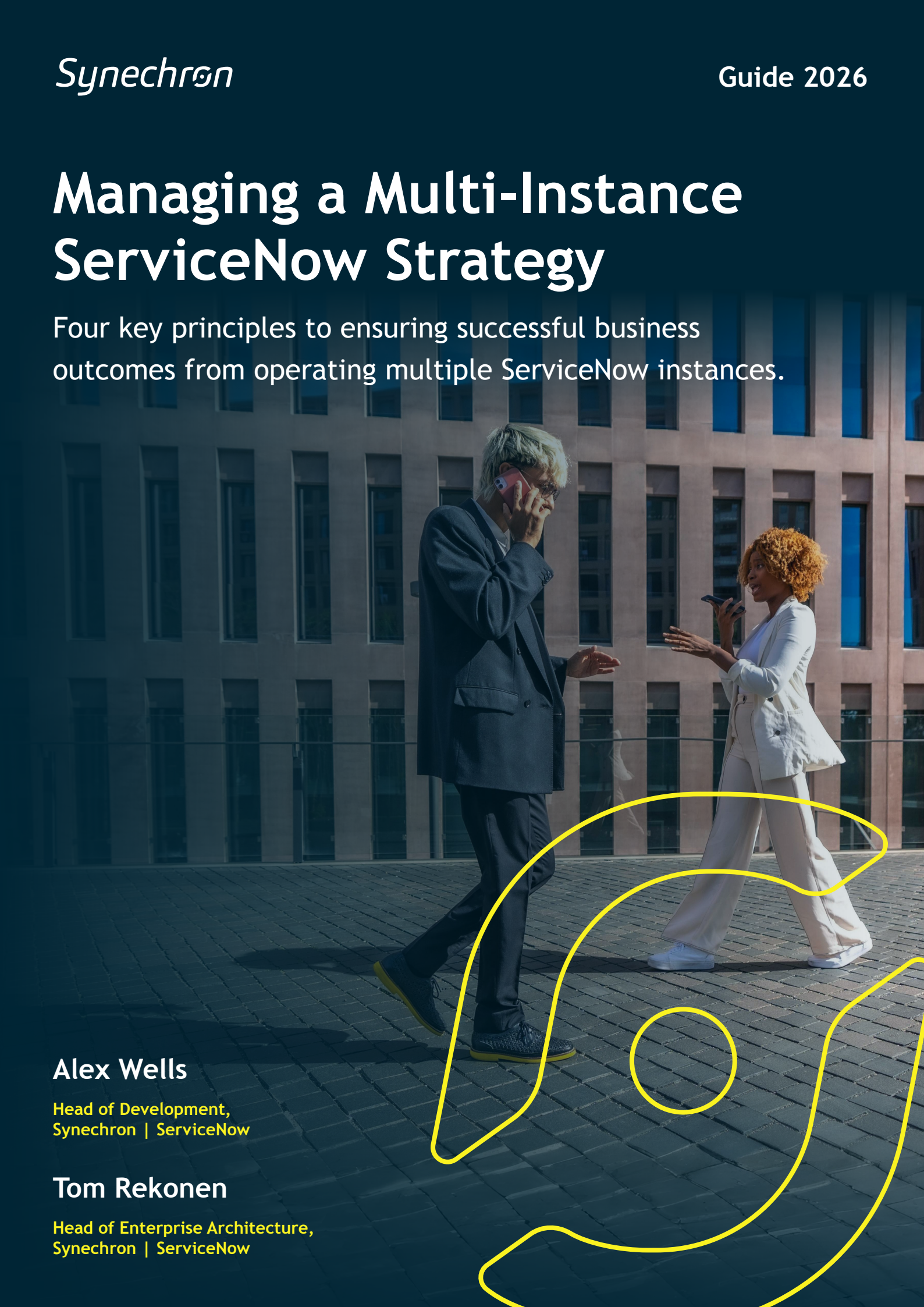
Four key principles to ensuring successful business outcomes from operating multiple ServiceNow instances.

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*“Coming together is a
beginning. Keeping
together is progress.
Working together
is success.”*

Henry Ford

Unlocking Efficiency and Business Value

We often preach that a single instance strategy is the logical approach to ensure truly effective business flows across an enterprise. But a multi-instance ServiceNow strategy isn't inherently bad—in fact in certain circumstances, it's absolutely necessary for large, complex enterprises.

However, managing multiple instances poorly, or cutting corners to save costs, can lead to an organisation creating a set of problems that grow exponentially versus a single instance model; mounting technical debt, degraded data quality, process inefficiencies, and ballooning costs can easily be the unforeseen result.

The good news? A clean, well-planned, well-governed, and efficiently managed multi-instance environment is entirely achievable. With proper investment, governance, and planning, you can unlock the true potential of this approach while minimising the risks.

This guide outlines the risks, opportunities, and financial justifications for investing in effective multi-instance management and highlights the 4 key principles to achieving successful business outcomes.

“In certain circumstances, it’s absolutely necessary for large, complex enterprises.”

When is a Multi-Instance Strategy Right for your Organisation?

In today's fast-paced, interconnected world, a single-instance strategy may not suffice for large organisations all of the time, particularly for those operating in highly regulated markets.

A multi-instance strategy can help large-scale enterprises in their effective delivery of compliance, flexibility and operational efficiency.

Compliance & Security Requirements - Different regions enforce varying regulations (e.g. GDPR, CCPA, HIPAA). A multi-instance approach enables enterprises to tailor security controls and data residency per jurisdiction while ensuring adherence to industry-specific mandates.

Risk Mitigation & Resilience - Isolating critical workloads reduces the 'blast radius' of technical failures, security incidents, or service disruptions, while providing the essential foundations for ensuring business continuity.

Regional Requirements - Enterprises operating globally must address diverse latency, language, and localisation needs. Dedicated instances in different regions enhance performance, ensure legal compliance, and support local integrations.

Differing Business Unit Priorities - Separate business units often have unique operational needs, requiring custom configurations, workflows, and integrations. A multi-instance approach enables autonomy without compromising governance.

“A single-instance strategy may not suffice for large organisations all of the time.”

Performance & Scalability - Large enterprises demand high availability, low latency, and scalable architectures. Dedicated instances prevent resource contention, optimising system performance for each division.

Require Quicker Build Time - Working across large complex enterprise environments throws up many organisational challenges. Some of these factors can be mitigated through enabling agile ways of working, however a multi-instance strategy will almost always allow quicker time to market for point solutions.

However, these advantages come with challenges, especially if cost-saving measures lead to inadequate governance, resource allocation, or tools. Mismanagement can result in excessive customisations, fragmented processes, and poor data synchronisation—all of which erode value over time.



The Risks of Poor Multi-Instance Management

There are several issues that if not addressed clearly and effectively at an early planning stage, can create problems at an exponential scale as the multi-instance set-up evolves. First and foremost is data.

Allowing an instance's core-data quality to stagnate and drift causes considerably larger issues than when compared to a single instance setup, where data quality issues might be tolerated for longer. However, there are additional factors to consider as well.

Data Quality Degradation

In today's data-driven landscape, the integrity and effectiveness of business data are critical to driving innovation. When instances operate in isolation, poor data management leads to inconsistencies in synchronisation. This results in errors within workflows and reports, undermines analytics and decision-making, and necessitates costly manual interventions to maintain accuracy and reliability across the organisation. The governance of the data that underpins your business must be considered sacrosanct!





Technical Debt and Customisations

One of ServiceNow's overriding benefits is its flexibility in allowing businesses to configure the platform to meet their specific needs. However, excessive customisation can create brittle, overly-complex systems. And any strategy that includes Multi-Instance will become exponentially more complicated, increasing upgrade and integrations costs, and prolonging service outages due to intricate dependencies. This often limits the organisation's ability to embrace new functionalities or emerging technologies, such as generative AI, ultimately hindering agility and long-term innovation.

“The integrity and effectiveness of business data are critical to driving innovation.”

Process Redundancy

Strong governance is essential to organisational efficiency, yet its absence often leads to duplicated processes across multiple instances. Running parallel change management or IT operations increases costs, reduces efficiency, and creates operational misalignment. This redundancy not only wastes resources but also complicates coordination, slowing down decision-making and impacting service delivery.

Missed Opportunities for Innovation

A fragmented IT environment inhibits the adoption of transformative technologies, including AI, automation, and predictive analytics. Disjointed systems create delays in deploying these capabilities, reducing the organisation's ability to optimise operations, enhance customer experiences, and maintain a competitive edge. Without a unified strategy, enterprises risk falling behind more agile competitors that leverage technology more effectively.

4 Key Principles

Plan for scaling of your solution. If the business has decided to follow the path of multiple instances, ensuring that your solution works not just for two, but for three, four or five instances is critical. This is a one-way trip, it is supremely difficult to unpick process/data synchronisation once you've started.

1. Strict Governance: Protecting the Role of Each Instance

Each ServiceNow instance must have a clear purpose. Without governance, overlap and redundancy can spiral out of control. Instances can and will overlap functionally - each instance will naturally want to provide local services, these may need to be centralised in a single portal.

“Without governance, overlap and redundancy can spiral out of control.”

Ensure clear owners for each instance, and make sure that one instance is considered the primary for all critical data objects - particularly CSDM. Bring your owners to a governance board, where major decisions can be communicated.

Unify outbound messages across all instances, depending on audience. Consumers don't care which instance they're going to, they just want to have a service fulfilled!

Key Actions:

- **Define and Enforce Ownership:**
 - Assign single ownership for key processes to avoid duplication. For example, run change management in one instance only.
 - Centralise processes that require cross-instance integration, such as HR onboarding triggering IT requests.

- **Unified Release Planning:**

- Develop one release plan and upgrade schedule across all instances to maintain alignment and reduce risks of version conflicts.

ROI of Governance:

Effective governance reduces duplication and inefficiencies, potentially saving \$1M annually by streamlining processes and avoiding failed upgrades. (Source: Gartner, “IT Governance Principles for the Enterprise”)

2. Data Synchronisation: Clean, Consistent, and Centralised

Data is the backbone of every ServiceNow environment. In a multi-instance strategy, synchronised, high-quality data is essential for operational efficiency and decision-making.

Make sure that you have a dictionary of all synchronised data objects, and the primary source for those objects. Governing updates to these objects is going to require buy-in from all downstream federated instances, so keep it simple.

Key Actions:

- **Invest in Tools:**

- Use **Instance Data Replication (IDR)** or **Data Stream Connect** for real-time synchronisation.
- Implement **SnowMirror** to replicate and back up data.
- Ideally, create a **centralised data lake** to normalise and transform data, ensuring consistency across all instances.

- **Implement Strong Governance:**

- Which data should be synchronised across instances (fewer is better).

4 Key Principles (cont.)

- Consider must-haves. Calitii would suggest that the Users table, and part of the CSDM are required in almost every scenario.

- **Monitor Data Health:**

- Use automated tools to monitor synchronisation and validate data integrity.
- Include controls to automatically raise incidents, information should an error occur.
- Establish KPIs to track and resolve discrepancies.

ROI of Data Investments:

Investing in data synchronisation tools and processes prevents errors, improves reporting accuracy, and reduces manual rework costs by up to \$500,000 annually for a mid-sized organisation. (*Source: Forrester Consulting, "The Total Economic Impact of ServiceNow"*)

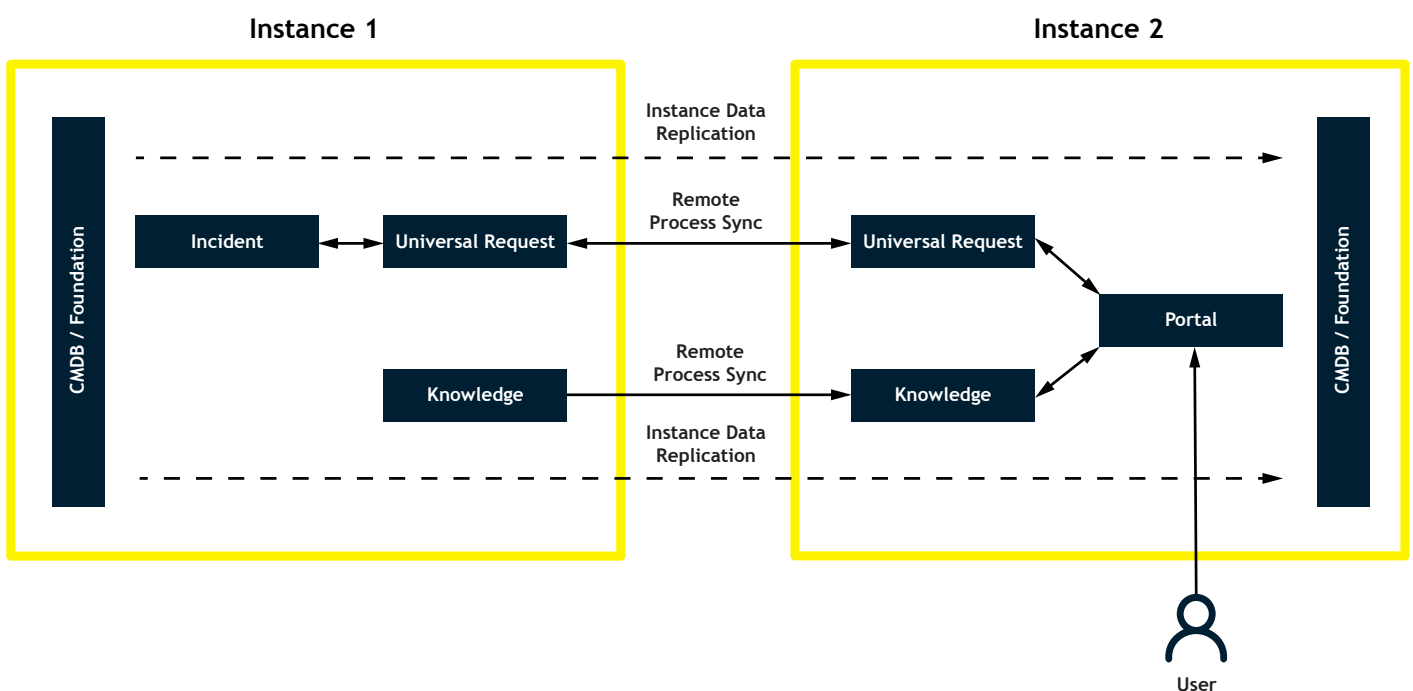


3. Process Integration: Building Bridges, Not Silos

A potential driver for multi-instance architecture is process separation, but this is often not absolute. It is common for processes, or experiences, to span multiple instances and so seamless integration is critical.

A high level example of this is pictured in the diagram below. Here, we have split the end user technical support experience across two instances. The technical fulfillers work on one instance, resolving issues and authoring knowledge, while end users access the support portal for self-serve capability and to raise and interact with support requests from a different instance. Using a combination of ServiceNow's 'Remote Process Sync' and 'Instance Data Replication' tools, critical data such as User, CMDB/CSDM and Process data - carefully selected - can be made available to support the end-to-end experience across these two instances.

Multi-instance Management



4 Key Principles (cont.)

Read-only integrations can be implemented multiple times, but managing application updates across instances is not an easy task. Ideally, we'd suggest you choose a single data point that needs to be federated down to each environment. If you must choose multiple endpoints for integrations, it must be understood that each instance's interpretation of that integration's data can be different!

Key Actions:

- **Map and Optimise Cross-Instance Processes:**
 - Identify integration points, such as the joiners/leavers process, and design for efficiency.
 - Use ServiceNow's integration tools to maintain connected workflows.
 - Use Remote Process Sync (RPS) to transfer or fulfil tasks in instances with different fulfilment responsibilities and to maintain correlation of referenced processes, like Knowledge, across multiple instances.
- **Mitigate & Minimise Technical Debt:**
 - Audit integrations regularly to ensure they remain efficient and aligned with business needs.
 - Try to Enforce significant, company-wide functionality, (such as HR onboarding) consistently on each instance.

ROI of Process Integration:

Reducing manual handoffs and inefficiencies in cross-instance processes saves time, improves user experiences, and reduces operational costs by \$2M annually for large enterprises. (*Source: IDC, "Value of Integrated IT Workflows in Enterprise Applications"*)

4. Resource Allocation: Invest in Expertise

The path of multi-instance is inherently complex, businesses will only embark upon this path for a good reason. The expertise you retain in house will ensure that services continue to operate effectively for the lifetime of this decision. Data issues found on this journey will be difficult to reverse engineer, so Data Analysts may well be your most critical resources.

Key Actions:

- **Hire Skilled Professionals:**
 - Invest in experienced resources who understand the complexities of multi-instance management.
 - Provide ongoing training to ensure teams can adapt to evolving requirements.
- **Plan for Growth:**
 - Allocate sufficient resources to maintain and scale the environment without sacrificing quality.

ROI of Resource Investments:

For every \$500,000 spent on skilled resources and tools, organisations can save \$2M in avoided downtime, reduced inefficiencies, and faster time-to-value for new initiatives. (*Source: McKinsey, "Optimising IT Talent for Enterprise Platforms"*)



Financial Justification for C-Level Executives

Conclusion

A ServiceNow multi-instance strategy can deliver scalability, flexibility, and resilience—if managed correctly. By investing in data synchronisation, strict governance, process integration, and skilled resources, organisations can avoid the pitfalls of technical debt, data degradation, and inefficiency.

While maintaining a clean and efficient multi-instance environment requires upfront investment, the ROI is clear: reduced costs, improved uptime, faster adoption of modern technologies, and streamlined operations. This isn't just an IT initiative—it's a business enabler.

The choice is simple: invest proactively to unlock the value of your multi-instance strategy, or pay later in downtime, inefficiencies, and missed opportunities.

Costs of Underinvestment:

1. Increased risk of unplanned outages:

The average cost of an unplanned IT outage is now \$14,056 per minute, up nearly 10% from 2022. (*Source: EMA, "IT outages: 2024 costs and containment"*)

2. Delayed Upgrades:

Labour intensive upgrades due to technical debt can cost up to \$1M per cycle. (*Source: Everest Group, "Cost of Failed IT Projects"*)

3. Missed Opportunities:

Delays in adopting AI and automation could cost millions annually in lost productivity gains. (*Source: Deloitte, "AI Adoption in Enterprise IT"*)

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- Engineer expertly
- Build in resilience
- Accelerate with AI



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