



The Changing Landscape of Continuous Improvement:

Real-Time Benchmarking Has Finally Arrived!

Jeff Rumburg

Managing Partner

MetricNet, LLC

MetricNet's Benchmarking Database

- Global Benchmarking Database ●
- 3,700+ IT Service & Support Benchmarks ●
- 70+ Key Performance Indicators ●
- 120+ Industry Best Practices ●



Can you Answer these Important Questions?

What's my
Quality?

What are my
Costs?

How am I
Performing?

How am I
Trending?

What's my
ROI?

How Can I do
Better?

The Power of Benchmarking

Benchmarking is about empowering organizations to . . .



Measure



Compare



Diagnose



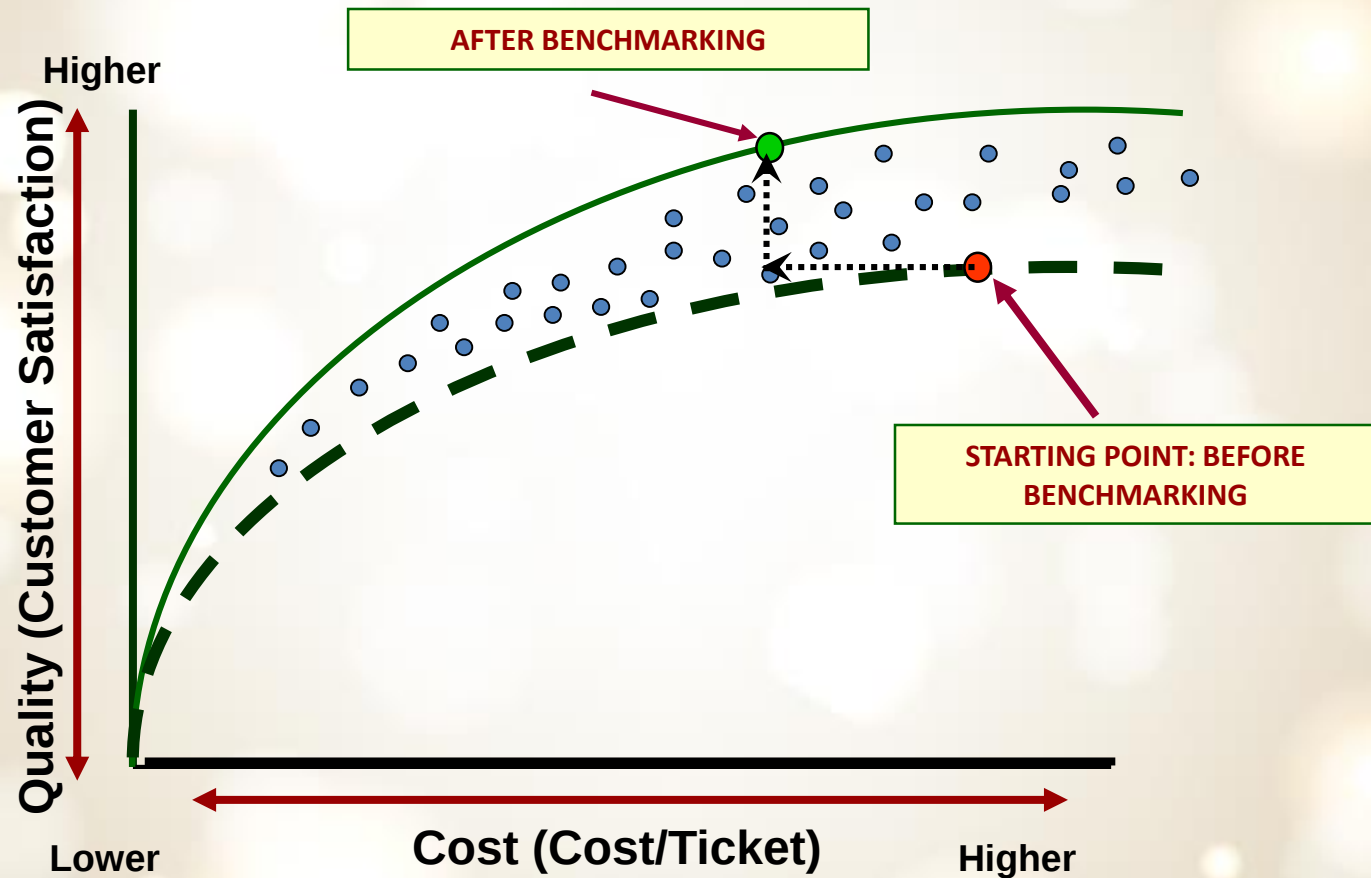
Improve



Optimize

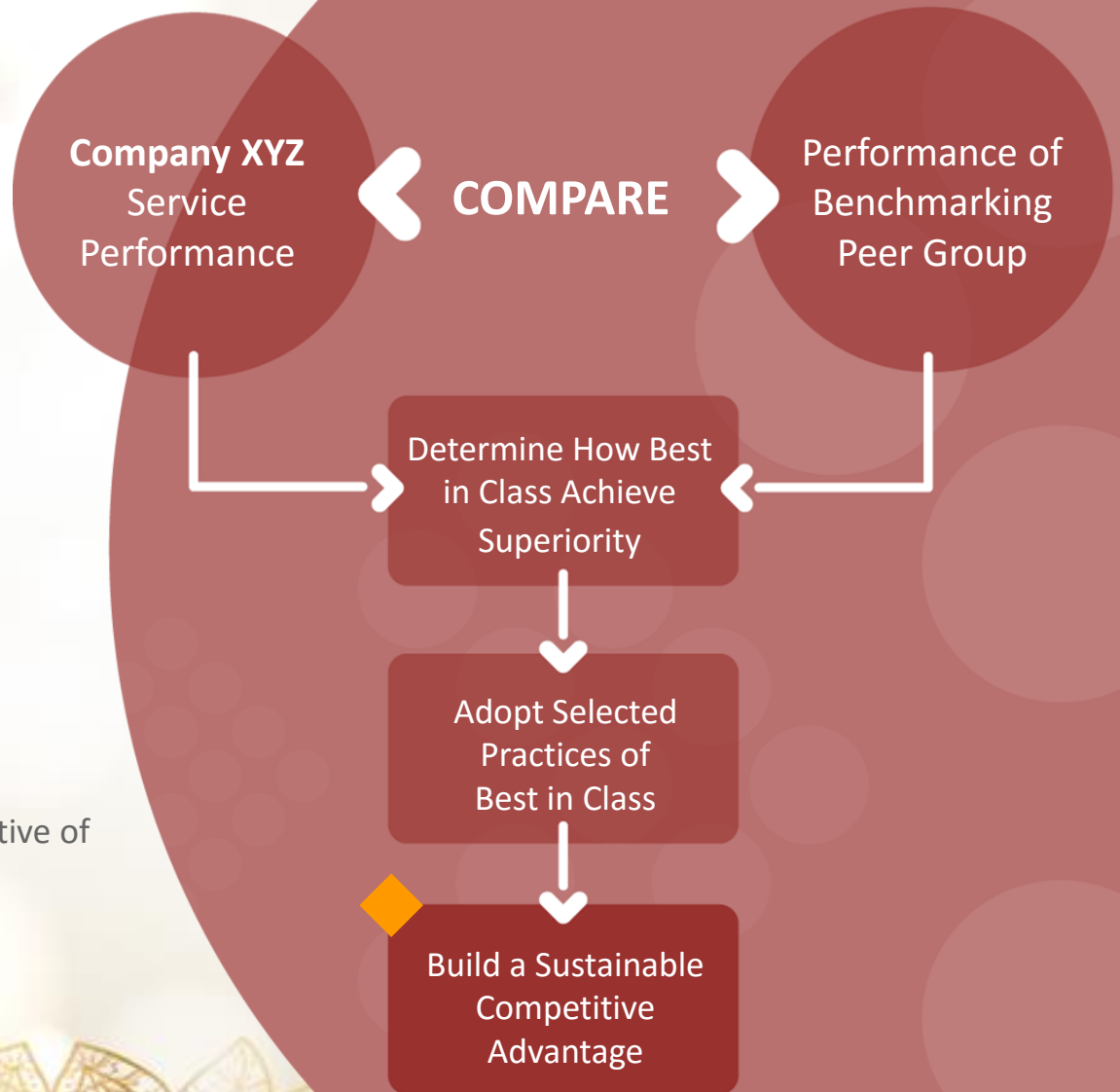
Benchmarking is about realizing your potential

The Goal of Benchmarking



The Benchmarking Approach...

◆ Ultimate Objective of Benchmarking



Fewer than 20% of all IT support groups engage in benchmarking.

***Yet there is a 1:1 Correspondence
Between Benchmarking and
World-Class Performance!***

What is World-Class Performance?

- Service and Support consistently exceeds customer expectations
 - “Result is high levels of customer satisfaction
- Costs are managed at or below industry average levels
 - “Cost per ticket below average
 - “Minimizes Total Cost of Ownership (TCO)
- Service desk follows industry best practices
 - “Service desk follows industry best practices
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 - “A positive customer experience
 - “Drives a positive view of IT overall

So Why isn't Everyone Benchmarking?

Our **Service Desk Tool** can not produce the data we need

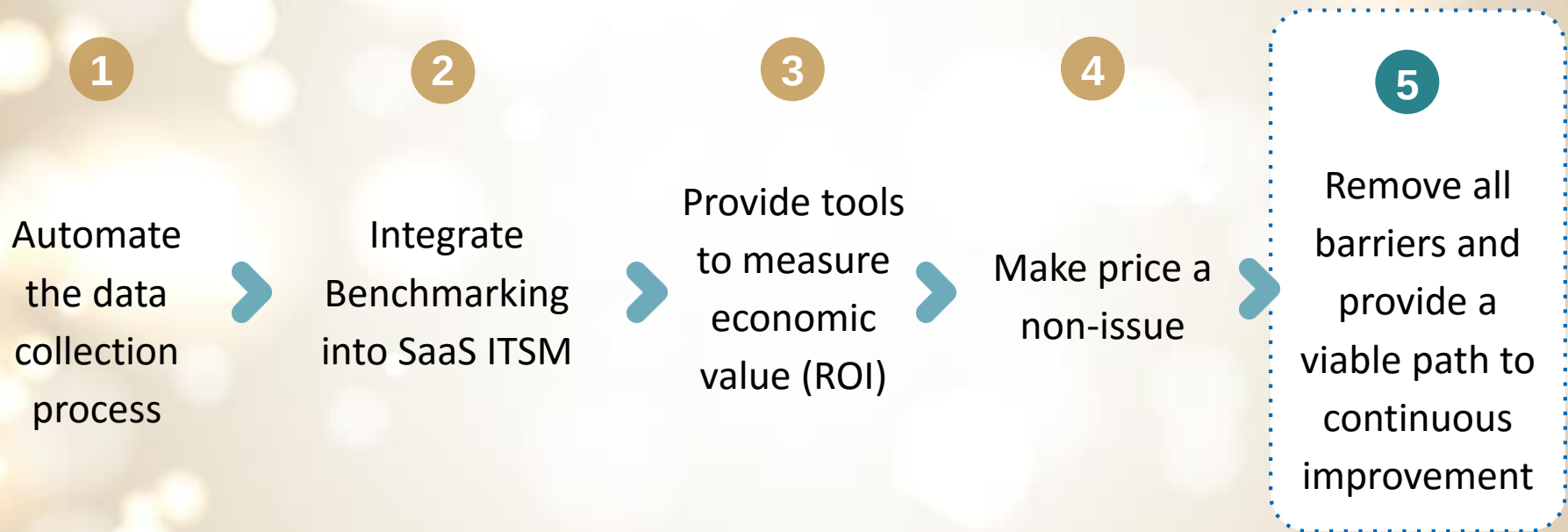
I don't have **Industry data** to do benchmarking

I don't have the **budget** to do benchmarking

I don't have the **time** to do benchmarking



How Do We Overcome These Challenges?

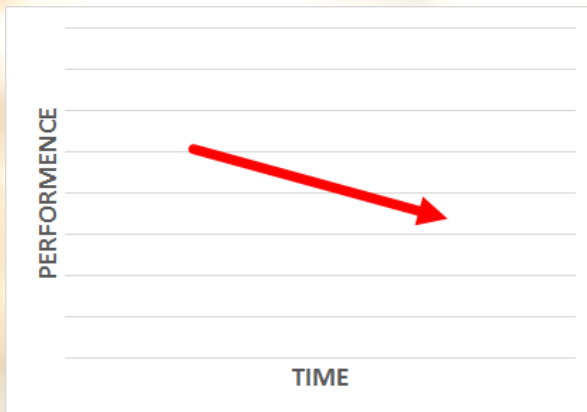


Three Benchmarking Scenarios...

CASE STUDY

1

STRUGGLING



CASE STUDY

2

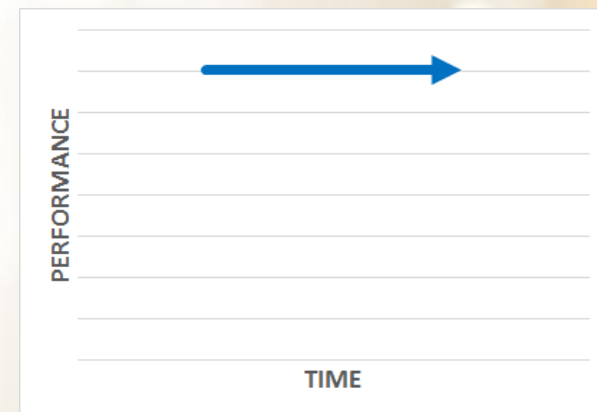
IMPROVING



GOAL!

3

WORLD-CLASS



The Most Common KPIs for IT Service and Support

Cost

- Cost per Ticket
- Cost per Incident
- Cost per Service Request

Quality

- Customer Satisfaction
- First Touch Resolution Rate
- % Resolved Level 1 Capable

Ticket Handling

- Average Incident Work Time (min)
- Average Service Request Work Time (min)
- Average Travel Time per Ticket (min)

Service Level

- Average Incident Response Time (minutes)
- % of Incidents Resolved in 1 Business Day
- Mean Time to Resolve Incidents (business hours)
- Mean Time to Complete Service Requests (business days)

Technician

- Technician Satisfaction
- New Technician Training Hours
- Annual Technician Training Hours
- Annual Technician Turnover
- Technician Absenteeism
- Technician Tenure (months)

Productivity

- Technician Utilization
- Tickets per Technician-Month
- Incidents per Technician-Month
- Service Requests per Technician-Month
- Ratio of Technicians to Total Headcount

Workload

- Tickets per Seat per Month
- Incidents per Seat per Month
- Service Requests per Seat per Month
- Incidents as a % of Total Ticket Volume

Less is More: The Six Metrics That Really Matter

Cost

- Cost per Ticket

Quality

- Customer Satisfaction

Productivity

- Technician Utilization

Call Handling

- First Touch Resolution Rate

Service Level

- Mean Time to Resolve

Aggregate

- Balanced Scorecard

The Balanced Score

Performance Metric	Metric Weighting	Performance Range		Your Actual Performance	Metric Score	Balanced Score
		Worst Case	Best Case			
Cost per Ticket	25.0%	\$471.50	\$66.31	\$166.40	75.3%	18.8%
Customer Satisfaction	25.0%	65.6%	97.7%	95.0%	91.6%	22.9%
Technical Utilization	20.0%	29.5%	73.6%	56.1%	60.3%	12.1%
First Touch Resolution Rate	20.0%	44.8%	91.0%	64.9%	43.5%	8.7%
Mean Time to Resolve (hrs.)	10.0%	68.43	1.28	18.22	74.8%	7.5%
Total	100%	N/A	N/A	N/A	N/A	70.0%

Step 1

Five critical performance metrics have been selected for the scorecard

Step 2

Each metric has been weighted according to its relative importance

Step 3

For each performance metric, the highest and lowest performance levels in the benchmark are recorded

Step 4

Your actual performance for each metric is recorded in this column

Step 5

Your score for each metric is then calculated: $(\text{worst case} - \text{actual performance}) / (\text{worst case} - \text{best case}) \times 100$

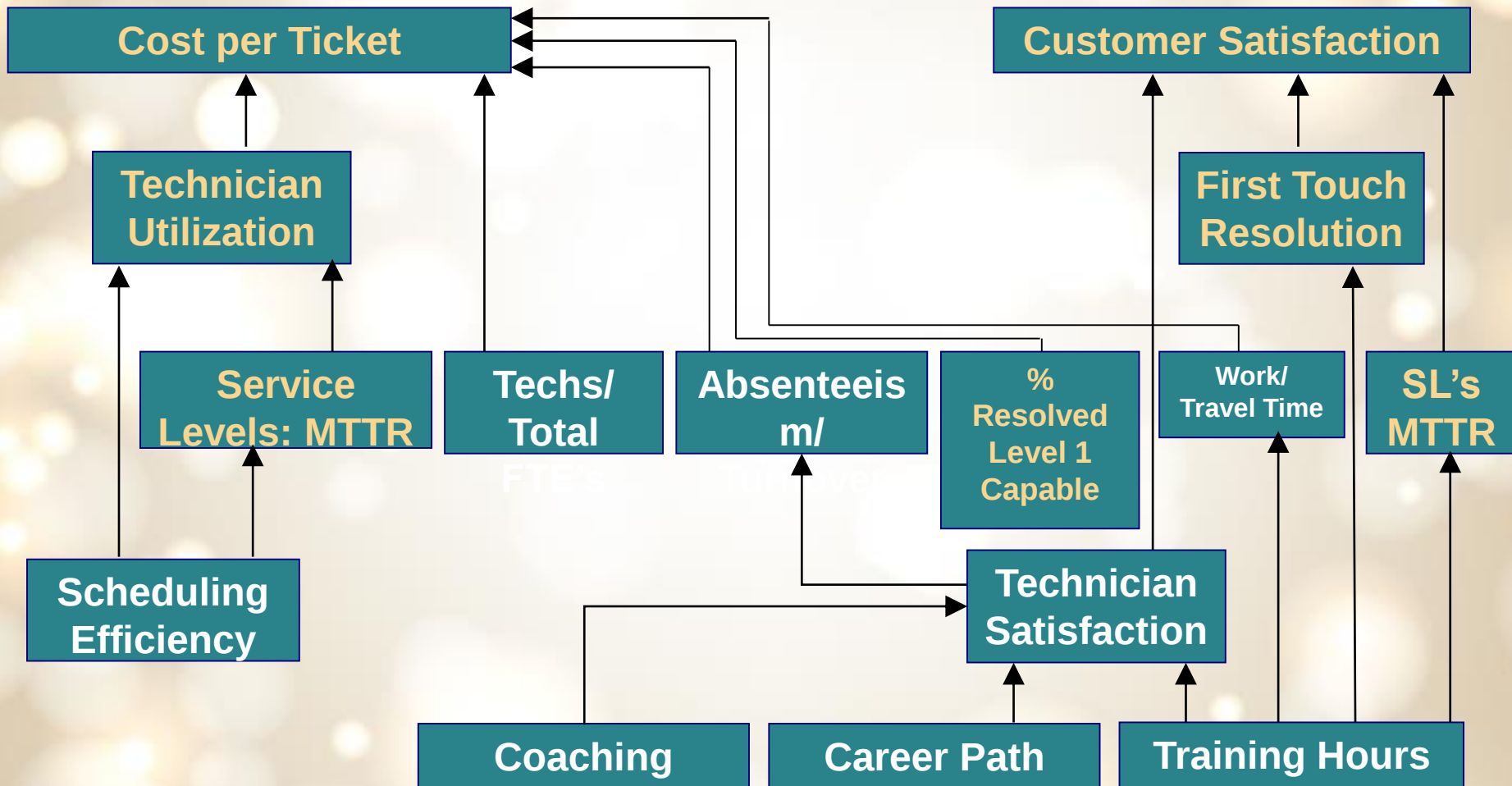
Step 6

Your balanced score for each metric is calculated: $\text{metric score} \times \text{weighting}$

Case Study 1: Struggling

Key Performance Indicator	Struggling Company	Peer Group Average	Performance Gap
Cost per Ticket	\$81.37	\$56.22	-44.7%
Customer Satisfaction	67.9%	84.5%	-19.6%
Technician Utilization	41.4%	53.2%	-22.2%
First Touch Resolution Rate	71.5%	83.7%	-14.6%
Mean Time to Resolve (minutes)	212	231	8.2%
Balanced Score	33.6%	50.7%	-33.7%

IT Service and Support KPI's: Cause-and-Effect



Case Study 1: Diagnosis and Prescription

Diagnosis

- Overstaffed - headcount too high, leading to low utilization and high costs
- Lack of experience due to high turnover, and inadequate training, leading to low FTR and low Customer Satisfaction

Prescription

- Provide training to specifically improve First Touch Resolution
- Downsize through attrition to bring utilization and costs in line with peer group averages

Case Study 2: Improving

Key Performance Indicator	Improving Company		Peer Group Average	Performance Gap Today
	6 Months Ago	Today		
Cost per Ticket	\$64.88	\$57.40	\$56.22	-2.1%
Customer Satisfaction	77.0%	86.2%	84.5%	2.0%
Technician Utilization	44.3%	52.0%	53.2%	-2.3%
First Touch Resolution Rate	81.5%	88.0%	83.7%	5.1%
Mean Time to Resolve (minutes)	314	255	231	-10.4%
Balanced Score	39.0%	49.5%	50.7%	-2.4%

Case Study 2: Diagnosis and Prescription

Diagnosis

- Clearly improving - heading in the right direction!
- Service Levels are below average (MTTR), which may impact CSAT in the future

Prescription

- Keep Doing What You're Doing!
- Focus on Service Level improvements with an MTTR goal of 230 minutes

GOAL = World-Class

Key Performance Indicator	World-Class Company	Peer Group Average	Performance Gap
Cost per Ticket	\$47.99	\$56.22	14.6%
Customer Satisfaction	96.2%	84.5%	13.8%
Technician Utilization	50.9%	53.2%	-4.3%
First Touch Resolution Rate	89.1%	83.7%	6.5%
Mean Time to Resolve (minutes)	184	231	20.3%
Balanced Score	70.1%	50.7%	38.3%

Service Desk Benchmark



+ Create new benchmark

SAMANAGE SCORE

70.1

3.3 ▲

COST PER TICKET

43.6

\$3.67

7.4 ▲

CUSTOMER SATISFACTION

85.0

70.2%

0.2 ▲

AGENT UTILIZATION

20.1

33.9%

12 ▼

1ST TOUCH RESOLUTION

80.7

49.1%

6.1 ▲

MEAN TIME TO RESOLVE

67.6

237min

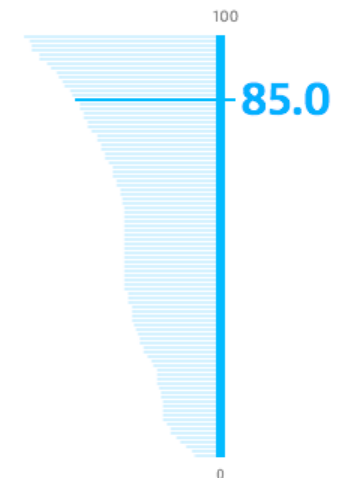
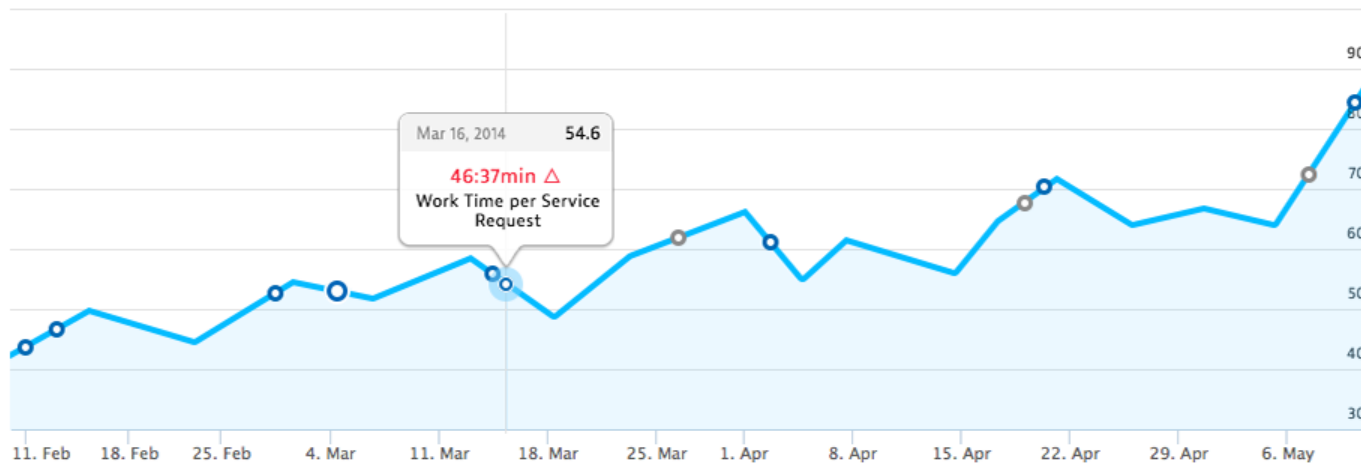
12 ▼

HISTORY

POSITION

Zoom 1m 3m 6m YTD 1y All

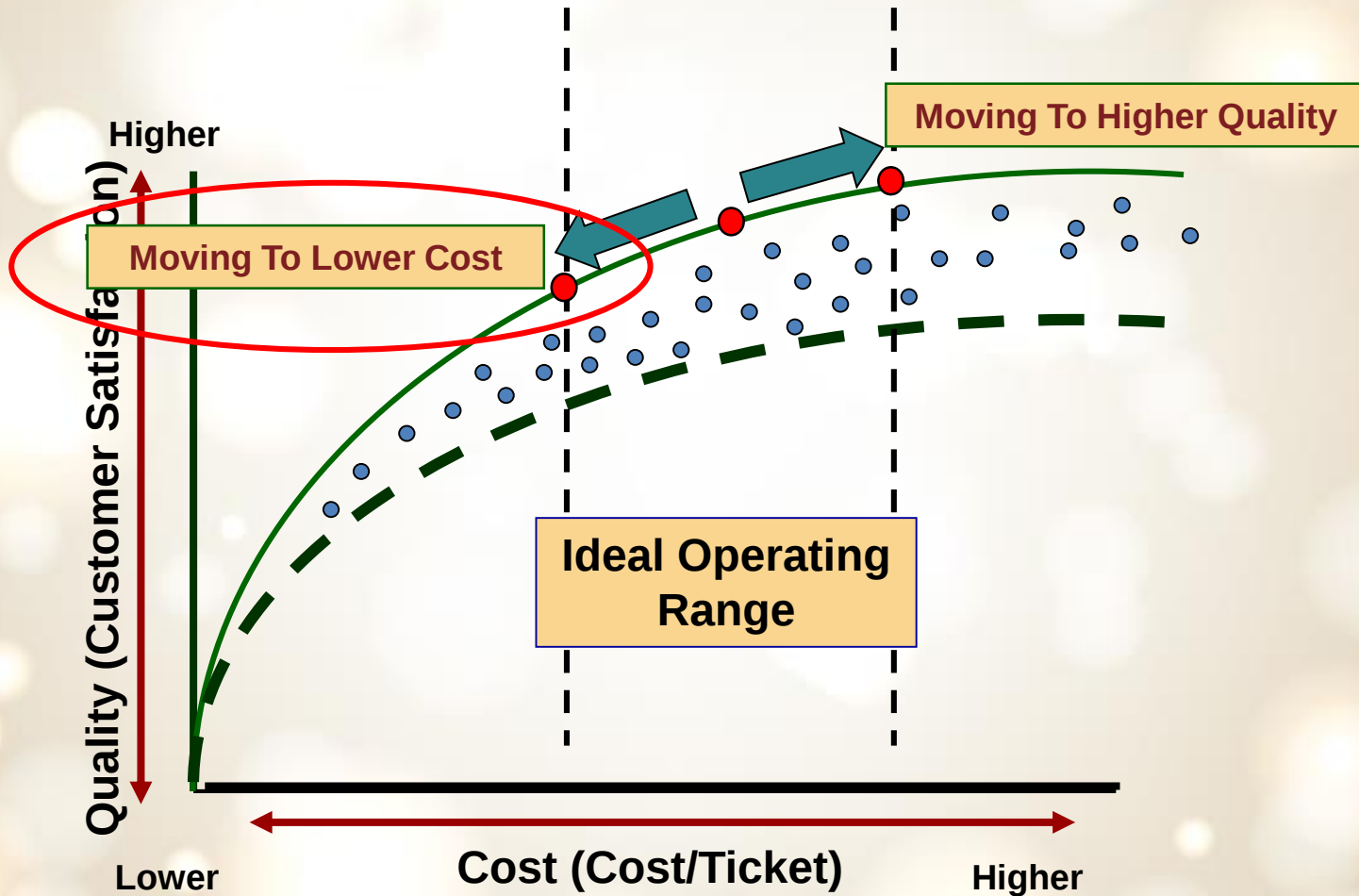
From Feb 9, 2013 To May 10, 2013



What is World-Class Performance?

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Fine Tuning for World Class Performance



World Class: Diagnosis and Prescription

Diagnosis

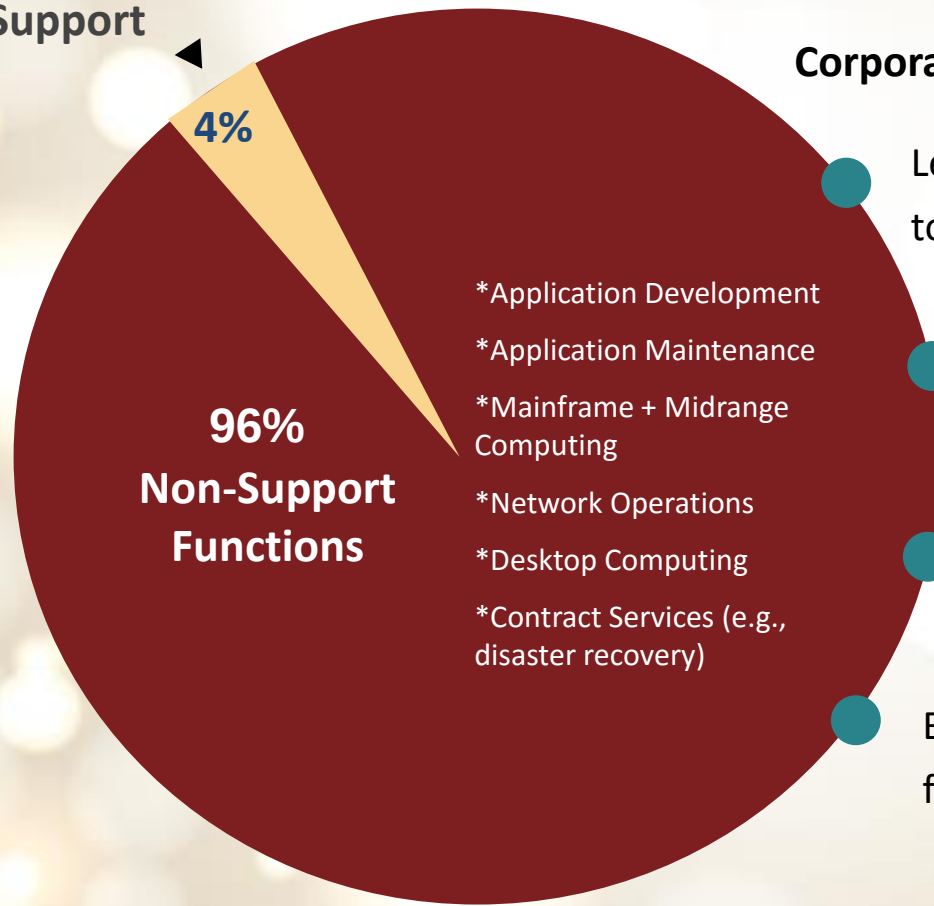
- Top Quartile Performer!
- Consistent with World-Class Performance!

Prescription

- Keep Doing What You're Doing!
- Monitor performance, and make adjustments as needed to maintain industry position

The Paradox of IT Support

End-User
Support



Corporate IT Spending Breakdown

Less than 5% of all IT spending is allocated to end-user support

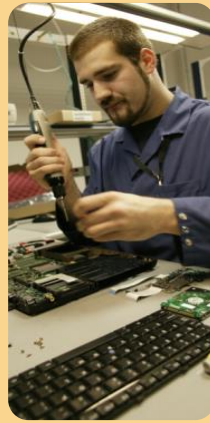
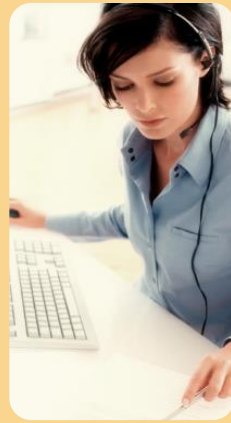
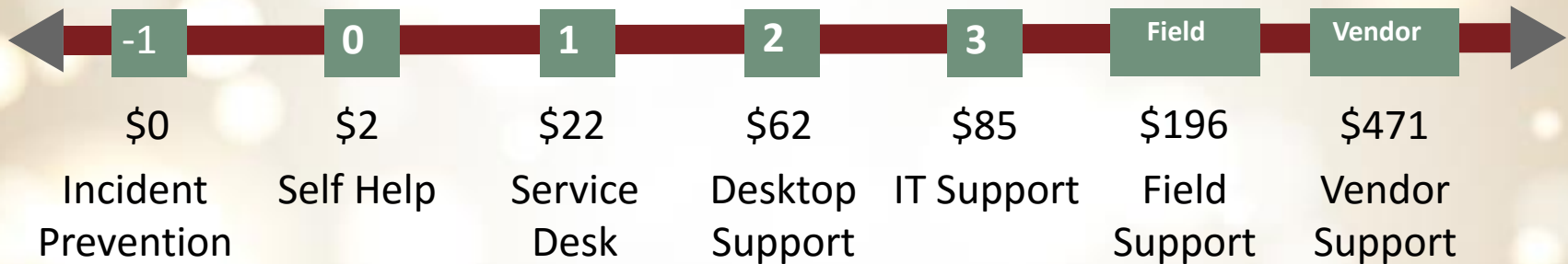
This leads many to erroneously assume that there is little upside opportunity in IT support

The result is that most support organizations are managed with the goal of minimizing costs

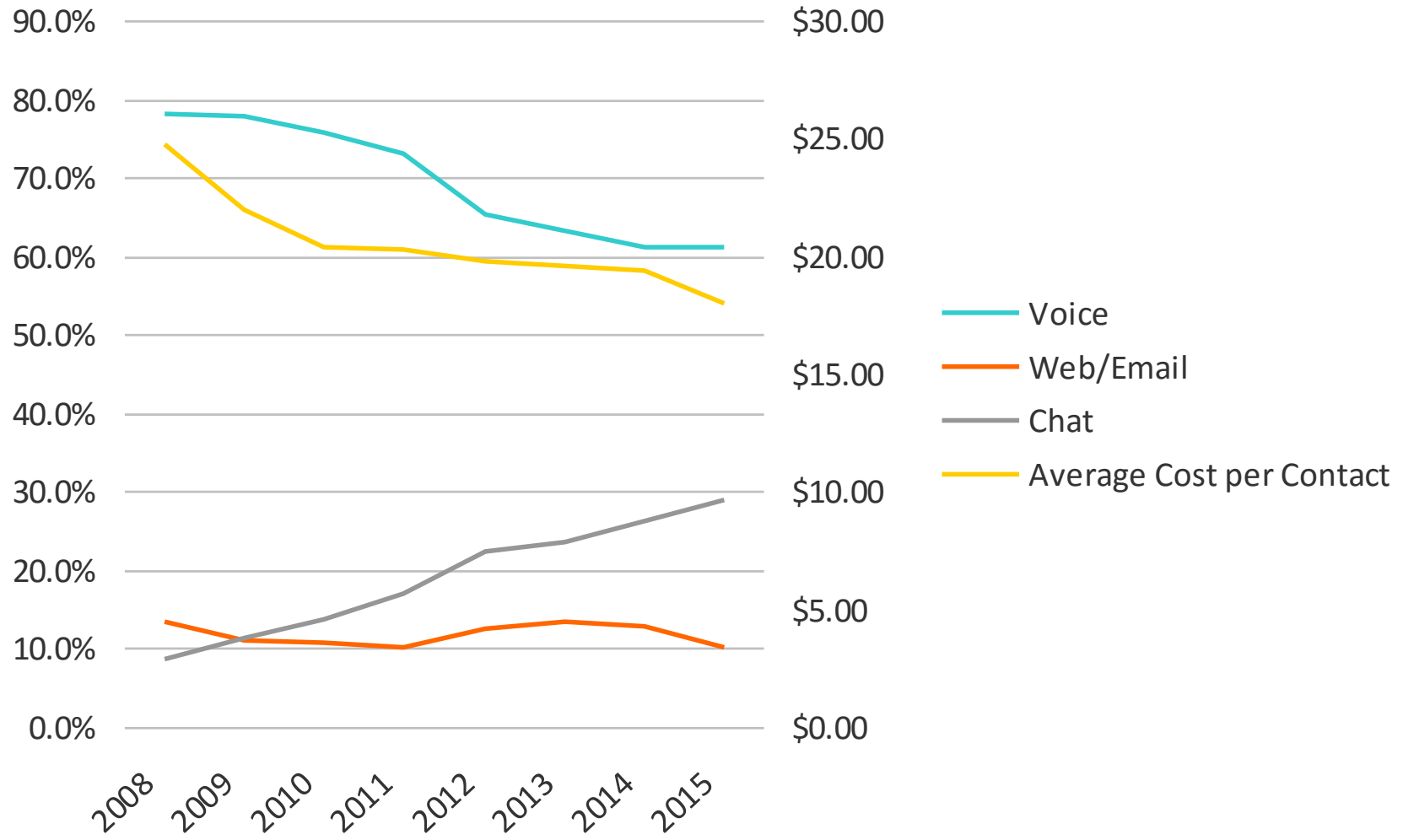
But the most effective support strategies focus on maximizing value

Shift Left Reduces Total Cost of Ownership

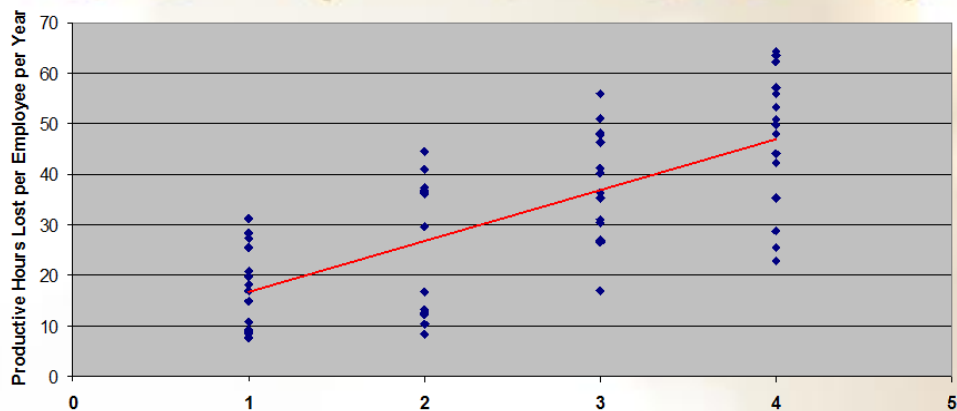
Support Level



Improved Channel Mix is Driving Down Costs



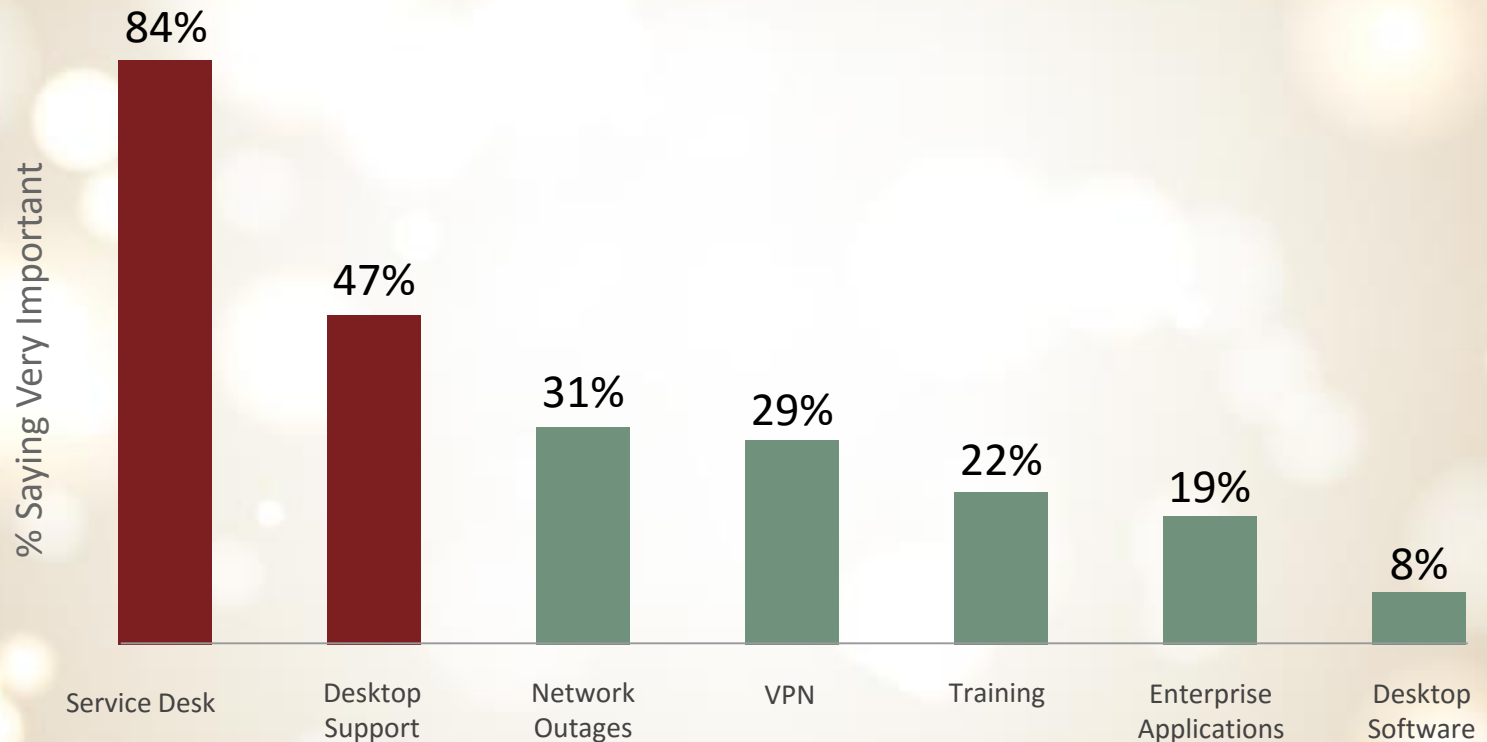
Quality of Support Drives End-User Productivity



Support Function	Key Performance Indicator	Performance Quartile			
		1 (top)	2	3	4 (bottom)
Service Desk	Customer Satisfaction	93.5%	84.5%	76.1%	69.3%
	First Contact Resolution Rate	90.1%	83.0%	72.7%	66.4%
	Mean Time to Resolve (hours)	0.8	1.2	3.6	5.0
Desktop Support	Customer Satisfaction	94.4%	89.2%	79.0%	71.7%
	First Contact Resolution Rate	89.3%	85.6%	80.9%	74.5%
	Mean Time to Resolve (hours)	2.9	4.8	9.4	12.3
Average Productive Hours Lost per Employee per Year		17.1	25.9	37.4	46.9

Support is a Key Driver of Customer Satisfaction for All of IT

Factors Contributing to IT Customer Satisfaction



84% cited the service desk as a very important factor in their overall satisfaction with corporate IT
47% cited desktop support as a very important factor in their overall satisfaction with corporate IT

The Power of Real-Time Benchmarking...

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What's my
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How Can I do
Better?

What's Next?

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HDI

#SMFUSION15

FUSION15

ROAR INTO THE MODERN AGE OF SERVICE MANAGEMENT

Thank you for attending this session.

Don't forget to complete an
evaluation form!

**The Changing Landscape of Continuous
Improvement:**

Real-Time Benchmarking Has Finally Arrived!

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Questions?

Jeff Rumburg
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Thank You!

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