

Investing in the Help Desk

By Karen Schoemehl

Selling the Help Desk as a Strategic Investment

The Help Desk of the new millennium is one that will play an integral role in any business that is seeking competitive advantage. An effective Help Desk is a natural step in the evolution of business technology. As companies place more reliance on technological processes, their professionals face a more complex environment. The Help Desk that will successfully support this environment will require highly qualified and motivated human resources, extensive reengineering projects, state-of-the-art service level management systems, integrated adaptive learning tools and fast, reliable telecommunication platforms.

While offering astonishing enhancements in productivity, these components critical to the support of technology are not cheap or well understood by senior management. In fact, these costs are rarely considered when companies are rolling out major technological initiatives. The Help Desk often becomes an afterthought, and funding for such systems often is non-existent or is well below what is required to be successful to directly impact the company's bottom line. Help Desk managers are often trying to justify additions of staff and equipment after finding that their capacity to support technology has become drastically impacted. A vicious cycle begins as new technology is rolled out and more

Help Desk resources are needed when abandonment rates and request volume spike to unprecedented levels. The Help Desk is then stuck behind the proverbial eight ball. Senior management often views the annual funding of the Help Desk as tossing more money into the black hole of technology support while getting little in return. They don't see the strategic advantages of the Help Desk, even when the benefits are illustrated: low call abandonment rates, high IT customer satisfaction ratings and excellent first contact resolution statistics.

Strategic Selling at the Help Desk

Many Help Desk managers consider developing the justification for additional headcount, technology, and process improvement initiatives a fate worse than death. The reason behind the fear lies in the requirement to communicate and convey ideas in "boardroom" terms, a skill rarely required of an operationally focused manager. But the situation doesn't have to be this way. Help Desk managers and directors who want to get their initiatives approved and implemented need to learn to communicate their needs to senior management effectively. The key is to communicate in the language that your audience understands. In this case, the language is money and strategic value. The Help Desk manager needs to practice this new way of communicating and share the information in a meaningful way to strategically position the Help Desk to play a key role in increasing shareholder value.

ROI as a Decision Making Tool

One of the most critical elements in conveying the benefits of a strategic Help Desk is through the use of Return on

Investment (ROI) and strategic value analysis. ROI is what all competitive senior managers use as a decision-making tool in directing the combined resources of an organization. Those resources - time, money and budgeting requirements - are extremely limited. Senior management must decide which projects will generate the most value and assign adequate resources to ensure the desired level of return is attained. For the Help Desk managers to have their initiatives viewed in the best possible light (i.e., most strategic in value), initiatives must be presented in a manner that highlights the ROI to the company in terms of not only cost savings but added and long term value to the organization.

ROI at the Help Desk focuses on improving first contact resolution, lowering turnover, maximizing customer productivity and consolidating operations - all of which lower costs. On a second level, ROI focuses on the strategic value principles of elevating customer satisfaction, creating a positive perception of service, ensuring business alignment and providing service quality. These areas are difficult to quantify but provide a 'value' perspective that is critically important to position the Help Desk strategically in an organization.

Through utilizing the ROI and strategic value analysis you can begin to tell the story of the Help Desk as a competitive, proactive arsenal instead of just being the victim of your company's investment in technology.

ROI Cost Drivers

To understand ROI at the Help Desk, you must consider several different costs and their resulting impact on the bottom line of an organization. When determining what initiatives in which to invest at the Help Desk, the following improvements provide the highest opportunity for substantial ROI:

- Raise first contact resolution

- Lower volume of escalated or dispatched requests
- Lower Help Desk turnover
- Lower cost to customers experiencing technology challenges
- Reduce the incidence of support duplication

Cost of First Contact Resolution

This particular statistic is the most critical of all cost elements associated with the Help Desk. In environments where a request is resolved at the Help Desk, an estimated cost on average is \$25 per request or service interaction. To reduce total cost of ownership in corporations, it is imperative that investments in the Help Desk promote first contact resolution of at least 80% of all requests.

Investments in raising first contact resolution can show a dramatic improvement in a 6 to 12 month period. The focus is investment in consulting, systems (including knowledge management), education and processes that provide real world improvement in the resolution percentage.

Where should those investments be placed? Let's take the technology perspective: by providing automation to key points in the problem resolution process for Web-based entry and status options for the customer, remote assistance capabilities and automating password resets, a company can save between 7% - 22% in Help Desk request volume, based on recent statistics provided by Forrester Research and Gartner Group. Take the education perspective: by investing in complete Help Desk Certification, one Help Desk raised the first level resolution from 30% to over 72%, resulting in quantifiable bottom line savings. According to a recent article appearing in PCWeek, Web-based entry and status of service requests has allowed one company's Help Desk to maintain a head count status quo

while company growth expanded in double-digit percentages.

What about the strategic value of building up the strength of your Help Desk when it comes to first contact resolution and automation? Companies that have instilled this value principle with their Help Desks have achieved a substantially higher place in the value food chain, as evidenced by the following:

- The Help Desk is now providing real value to the company because the Help Desk is actively providing answers, not just tracking issues.
- The Help Desk is allowing customers to help themselves. Customers have a choice and some flexibility in how they receive support, which creates business value for the company.
- Mundane tasks like password resets are resolved without having to enlist expensive network administrators. The result is that the customer is back up and running in a matter of seconds, instead of minutes or hours later.

Cost of Escalation or Dispatch

As indicated earlier, when a request is resolved at the Help Desk, the cost is approximately \$25 to the organization. If a request requires dispatch or escalation to resolve, the price can jump to \$125 or more for each request. The cost can continue to spiral upward since the resources necessary to resolve, manage and communicate the outcome of a problem or issue require not only the Help Desk professional, but also a second or third level resource and the customer to all participate in the resolution process.

Cost of Turnover

How much does it cost when you lose a great Help Desk professional to another

organization? The cost of turnover takes many things into account:

- the cost of recruitment,
- management time to review resumes and interview,
- the cost of bringing a new individual up to speed (which equals lost productivity) and,
- the cost of providing temporary personnel assistance to bridge the gap.

We have seen this equal between 75 to 150% of a Help Desk professional's salary. The key is to invest in retention initiatives that reduce turnover at the Help Desk. Possible retention options include training, Help Desk Professional Certification, flexible work scheduling, variety in job responsibilities, career path development, etc.

Lowering Cost to the Business Unit

Every time a customer has to contact the Help Desk, an additional cost is incurred to the organization. The cost is based on the customer's lost productivity from experiencing a technical challenge. In most client-server environments, our research indicates that there are approximately 1.5 to 3 requests per month per desktop and that the average duration of each is between 8 and 15 minutes. An investment in the Help Desk to ensure requests are resolved as quickly as possible, particularly if part of the solution involves providing web-enabled assistance to the customer, can result in a lower cost per request to the overall organization.

Consolidating Support Operations

As organizations continue to review the financial and value propositions of their support operations, more and more companies are beginning to move their IT organizations to a 'shared services' model. This consolidation of duplicative support operations allows for a reduction in cost and provides a lift in the consistency and levels of

service. According to Forrester Research, a large heterogeneous organization that has several Help Desks can consolidate duplicative operations and save at least 11% overall, equating to hundreds of thousands of dollars, depending on the size of the Help Desk budget.

So Show Me the Money...

We have shared some compelling information on specific ways that you can improve Help Desk operations and establish positive ROI benefits, but what is the financial impact on your Help Desk budget? How will these initiatives impact your financial planning and overall cost to an organization? Reduction in request volume, as outlined in several examples, directly impacts the headcount, associated salaries, benefits, physical space, utilities, hiring and phone line costs. Increased first contact resolution saves money across the entire company - both for IT and the business unit. Flexibility in use and access to the Help Desk saves money for the business. The key point is to look for investments that keep headcount minimized while maximizing value to the organization. Staffing typically represents 60% - 80% of a Help Desk's overall costs.

Put On that CEO Hat and Take Charge

As a Help Desk manager, you are tasked with identifying how to reduce costs, leveraging Help Desk investments, making your Help Desk a great place to work and marketing your Help Desk as the star of your organization. It is imperative that you ask these questions of your vendors, your business analysts and yourself?

- Will this initiative provide a value to the business units that the Help Desk supports?
- Will this initiative help improve first contact resolution?
- Will this initiative help retain employees within the Help Desk environment?
- Will this initiative support flexibility for the business in using the services of the Help Desk?
- Will this initiative support the values of the company?

If you answer "No" to these questions when analyzing an initiative, then stop spending time on it. Miscalculated initiatives will not provide a ROI that works either for the Help Desk or the company. Your time is better spent elsewhere. If you answer "Yes" to these questions, be prepared to quantify the improvements in hard numbers over a time scale, with aggressive but realistic expectations. Be prepared to include qualitative benefits that support the organization's vision, mission, strategy, values and goals. Lastly, be prepared to communicate these terms with your senior management.

Summary

If you are a Help Desk manager that is tired of being the victim when it comes to supporting the technology your company has invested in, then take action. Use Return on Investment and strategic value analysis tools to focus your team, the company and yourself on strategically investing in the Help Desk. The Return on Investment for you is doing the right things for your company at the right time with the right amount of resources. You will become a hero, a strategist and a leader in your organization all at the same time.

Services. In her role, Karen leads the delivery of solutions to help clients achieve Help Desk success.

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