



SERVICE DESK CONSOLIDATION CUTS COSTS AND INCREASES SERVICE QUALITY

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The service desk is the last place you should try to cut back. For external-facing organizations, quality support keeps customer loyalty and repeat business high and ensures that partners and suppliers can do business with you cost effectively. For your IT organization, which supports internal customers, quality service drives up employee productivity by ensuring that problems are resolved, questions are answered, and requests are filled promptly. Having a solid service desk, where agents can quickly prioritize issues based on business impact, also helps you prevent or minimize outages of business-critical services and the associated lost revenues.

With service being as important as it is, does the idea of cutting hundreds of thousands — even millions — of dollars in spending on service desk operations seem a bit crazy? Simply slashing service budgets would, of course, be risky and ill advised. Service desk *consolidation*, however, is a smart move. This highly successful strategy is yielding dramatic reductions in service costs while delivering significant improvements in efficiency and service quality. Here are a few examples:

» After consolidating 25 service desks into one, a global telecom company realized a 30 percent reduction in mean time to repair, a 60 percent reduction in unplanned downtime, and a \$32 million savings for the organization's IT service management consolidation efforts.

- » A billion-dollar energy supplier cut service desk costs from \$89 to \$57 per hour and realized an annual savings of more than \$17 million.
- » A major insurer consolidated multiple service desks, facilitated the adoption of IT Infrastructure Library® (ITIL®) best practices, and saved \$2.5 million.
- » A leading financial services firm retired 40 service desk tools, reduced case volumes up to 80 percent, and, in the first six months, reduced the change-to-incident ratio by 10 percent.

These enterprises didn't just blindly slash the budgets of their service desk operations. Instead, they changed their approaches in ways that enhanced efficiency and effectiveness. As a result, they cut service desk spending and increased ROI in the processes, technology, and people that enable service excellence.

The State of the Service Desk Today

In many enterprises today, customer service is siloed, disjointed, and inconsistent. Customers contact different call centers for different products — and for different geographies. There are separate support teams for partners, suppliers, and employees. Employees call one number to ask questions about benefits, another for computer problems, and a third when they need new equipment.

Rapid business expansion, whether through organic growth or mergers and acquisitions, has caused the proliferation of multiple service desks across most enterprises. Having so many distinct entities, many of

management, training, staffing, and energy consumption all contribute to excessive spending for customer service. The high cost might be justified if the spending led to more efficient, effective service delivery. This disjointed approach, however, negatively affects customer satisfaction as people struggle to figure out whom to call instead of being able to go to a single source for all their needs. Service quality is often inconsistent and inferior.

The Path to Consolidation

Many enterprises see the value of consolidating these scattered and disconnected service desks into a seamless environment that supports the full range of

service needs. Inertia, however, often prevents enterprises from moving aggressively to unify service delivery. Companies that have successfully merged service desk operations into an integrated whole have done so by focusing on three key areas:

- » Standardizing on proven best-practice processes
- » Adopting a standard service desk technology that supports best practices
- » Getting buy-in from the people on the front lines of customer service — both external and internal



Service desk consolidation involves replacing disparate point solutions with a single service desk solution that unifies all service desks onto a single, integrated platform.

which provide overlapping and redundant functions, is creating serious business problems as enterprises attempt to do:

- » Allocate staff resources to provide consistent service and a single point of contact to all users
- » Share data and knowledge across disconnected teams to give service desk analysts the information they need
- » Implement, integrate, and manage multiple service desk technologies from multiple vendors and effectively monitor their performance
- » Deliver quality support while keeping costs in check

Hardware acquisition and maintenance costs, software licensing fees, system implementation and

Even before the current economic crisis, enterprises were diligently searching for ways to cut costs. To achieve that goal, they must improve their processes. ITIL and Control Objectives for Information and related Technology (COBIT), and Business Service Management (BSM) are just a few of the guidelines that help define and promote best practices. BSM, an approach and unified platform for running the business of IT based on business priorities, has enabled companies to promote best practices and deliver value.

In addition to having standardized best practices, it is important to make sure that everyone abides by them. Technology comes into play here, providing a structure that drives compliance by guiding people through the

processes the company has adopted. Technology also enables automation, which eliminates burdensome and repetitive tasks, thereby enhancing productivity and reducing the risk of user errors.

Service desk consolidation involves replacing disparate point solutions with a single service desk solution that unifies all service desks onto a single, integrated platform. Through standardization, the enterprise can realize such benefits as reduced software license fees, quantity discounts from the software vendor, reduction in the number of servers and other hardware components, consolidation of training, reduced staffing requirements, and reallocation of service desk personnel from one functional area to another with minimal or no training.

To be effective, the technology solution should meet several important criteria. It should support best practices out of the box, requiring only minimal tuning to meet the unique needs of individual support teams.

It should also integrate with other disciplines to promote communication and collaboration among related groups. For example, in IT, the solution should seamlessly link change management, release management, asset management, configuration management, and other critical service management functions — and not require the user to continually switch from one toolset to another.

An effective solution is also highly scalable, with the ability to support all service groups in the enterprise with a single instance of the solution. That single instance should provide multitenancy capabilities that permit partitioning of data, views, reports, and workflows based on business unit, region, language, supported customer, or any other characteristic that is important to the business. Multitenancy ensures that people have easy access to the information they need, but only to the information that they are authorized to access.

The final — but perhaps most important— part of the equation is *people*. It's human nature to resist change. Overcoming the inevitable objections to change from familiar processes and tools to new ones requires an effective plan that communicates the benefits of consolidation, not only for the enterprise but also for each individual involved. Thorough training on new processes and tools is vital to gaining buy-in and ensuring rapid and broad adoption of the new processes and tools.

Companies that consolidate realize tangible, quantifiable benefits, including lower customer service costs, enhanced service quality, and improved customer satisfaction.



Getting the Most from Your Investment

If your enterprise has multiple service desks in different geographies using disparate, disjointed tools and supporting diverse but possibly overlapping constituencies, you may be wasting hundreds of thousands of dollars every year. Service desk consolidation is a proven strategy for eliminating that waste.

Companies that consolidate realize tangible, quantifiable benefits, including lower customer service costs, enhanced service quality, and improved customer satisfaction. Clearly, these companies aren't merely trying to barely get by on service. They recognize service desk consolidation as a smart business strategy that drives customer satisfaction up while driving costs down.

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ABOUT THE AUTHORS

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