



ATS
Advanced Technology Services, Inc.



Three reasons why lower-priced IT support may cost you in the long run.

Jeff Clendenin, Director of IT Services
Advanced Technology Services

It always makes sense to explore the lowest-cost option for any business expenditure – who wants to add to overhead and negatively affect the bottom line? But with some business expenditures, that good feeling of initially saving money on a low-cost option comes with a hidden price: the money you save in the short term translates into higher costs once things are actually implemented. The reality is that with certain business investments, there are just some long-term costs to your organization you never could have foreseen, unless you were forewarned.

This is especially true when it comes to IT support. Over the past decade, many organizations decided to offshore their IT support to save money. While that worked for some, many are still struggling: although the initial savings from offshoring were welcome, the ultimate price paid by the organization in terms of productivity, downtime, and overall negative end-user experience is proving too much to bear.

It all comes down to IT support representing one of those business areas where the adage “you get what you pay for” definitely comes into play. Here’s why:

1. First contact resolution (FCR) is everything.

The efficacy and therefore much of the cost-effectiveness

of your service desk comes down to a single measurable metric: First Contact Resolution (FCR). This important criteria can be summed up in a simple question: is the IT problem or incident resolved or the request fulfilled the first time the end-user contacts IT support?

If the answer is “no,” then the costs begin to add up. Failure on FCR means the incident must be escalated to a higher skilled/higher cost group or technician – while the end-user waits. Once the higher-level technician is engaged, the end-user must reiterate their problem, and wait yet again for an answer. If the problem is still not resolved at the end of this exchange, the incident goes to the next level of even higher skilled/higher cost specialists, and the cycle begins anew.

It is typical for lower-priced IT support solutions to feature this unfortunate “bounce” from level to level. These

“It all comes down to IT support representing one of those business areas where the adage ‘you get what you pay for’ definitely comes into play.”

escalations, which amount to repetition, waiting and significant frustration for end-users, has a huge cost in job satisfaction and downtime, which has actually been documented and can be calculated here. At its worst, this scenario results in “shadow IT,” or attempts by individuals or business units to avoid calling the desk altogether and develop their own makeshift solutions (such as going directly to higher-level technicians or hiring their own IT specialist). These types of initiatives add to hidden costs and unfortunately mask problematic areas, since they leave no record of incident volumes, trends or experiences.

All in all, the FCR failure cycle – and any attempted fixes however well-intentioned – can be considered a bad use of an organization's most valuable asset: its talent. When escalations occur and higher-level workers must get involved to solve what is truly a lower-level problem, they are being taken away from what really counts in the long run: their work on core IT initiatives that move the entire organization forward. This frustrates everybody, at every level, from end-user to C-suite.

2. The service desk represents your IT brand internally.

The effect of this frustration or negative “noise” now associated with IT support throughout the organization desk cannot be underestimated. For better or worse, the help desk often becomes the face and “brand” of the entire IT department. The IT team may be doing great things on the development end, but if a satisfactory level of support is not being consistently provided to end-users, the IT department as a whole is perceived negatively. If that's the case, it can bode poorly for the future progress of the department; effectiveness is a key criteria for leaders/executives when assessing budgeting for growth.

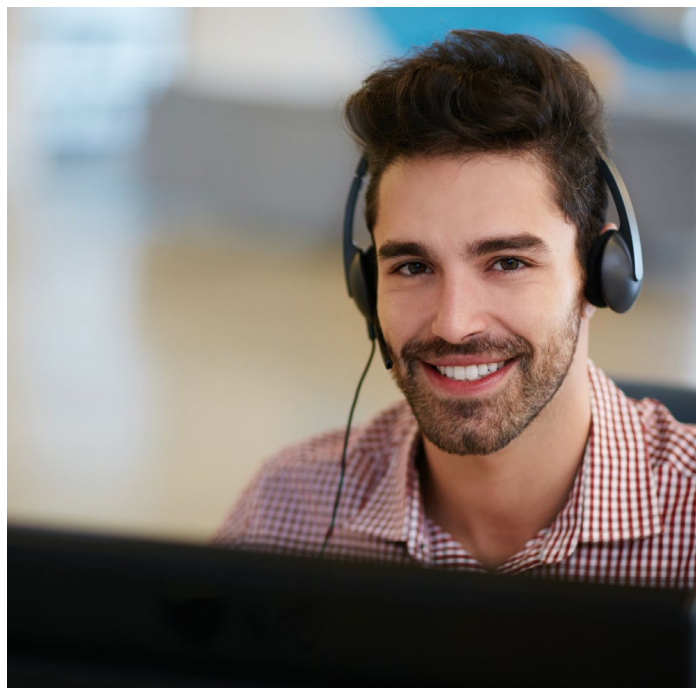
3. Your internal perception has implications externally.

The implications of a “bad rap” for the IT department based on a negative support desk reputation are not only felt internally, but also outside the company walls as well. After all, the IT world is a fairly small one, in an industry sense. If your support operation is not proving anecdotally within those circles that it provides value to the organization and is prized as a business asset, word will get around and top talent will be hard to recruit and retain. And that, in turn, is costly to the organization – especially in the long run – from a human resources point of view.

Go for quality.

How can one avoid these pitfalls and hidden costs? When it comes to an IT support operation, it is truly wise to invest in the highest quality “front end” as possible – one that is keenly focused on FCR. It will definitely pay off in the long run.

Whether you end up managing IT support through help from an outside consultant or by hiring someone to manage the operation entirely for you, you need to make sure that it can deliver high quality in terms of FCR immediately – which will in turn boost productivity immediately. Make sure the solution involves the concepts of knowledge management, data-driven insight and continuous improvement for a short learning curve – it should all be aimed at resolving issues the first time.



That, above everything else, will make IT support look great in the end-user's eyes. Which means it will look great in the entire organization's eyes – and be well worth whatever cost is initially incurred, especially in the long run.