



The Truth About Service Desk Outsourcing



Mechdyne IT Services

You're considering an outsourced service desk solution, but something's holding you back. Perhaps your current service desk appears to be running smoothly, and you do not feel there is enough evidence to warrant a change. Or, maybe you are concerned about the alleged repercussions of bringing in an outsourcer to handle your support needs. In either case, there are many "myths" that prevent companies from believing a third-party vendor can provide the service desk solution that best fits their needs. To uncover fact from fiction, let's take a closer look at ten common myths about service desk outsourcing, as well as the truths behind them.

Top 10 Myths About Outsourcing Your Service Desk

Myth #1 – An in-house service desk costs less than an outsourced solution.

According to a recent survey by the Help Desk Institute, "cost" is the top reason companies do not outsource any or all components of their service desk. Organizations looking to compare the costs of an internal solution with those of an outsourced service desk often fail to include the "hidden costs" of support. For instance, expenses related to recruiting, hiring, training, retention, and productivity are seldom incorporated into the estimated outlay for in-house support solutions. Additionally, the investment capital and amortized expenses of supporting technologies and infrastructure are typically unaccounted for in an internal ROI model. Before deciding one solution is more or less expensive than another, it is important to understand all of the costs associated with support, especially the investments in the development of people, processes, and technology.

Outsourced solutions usually provide:

- all the service desk hardware and software
- hosting and redundancy
- data analysis and reporting
- and systems maintenance, upgrading, and enhancing.

While an outsourcer's fees reflect all of these factors, the provider can achieve economies of scale by amortizing the cost across multiple clients whereas internal teams cannot.

Myth #2 – A third-party outsourcer cannot understand an organization well enough to resolve calls on the first contact.

While organizations are unique in many ways — including size, industry, and mission — the technical problems users face are generally universal. Most support needs stem from standard desktop software, resetting passwords, operating systems, and other typical IT components. Outsourcers not only resolve many calls on the first contact but also maintain metrics to ensure agents are meeting established goals. Service level agreements, online access to data, and detailed reports provide a clear picture of actual performance. Lack of understanding of a client is a failure of preparation and implementation. Gathering and creating training and documentation on the unique aspects of an organization should be part of the discovery and implementation of a new service desk. The team can then have these resources as needed and new additions to the service desk team have adequate resources to train and get up-to-speed much more quickly.

Moreover, outsourcers are highly invested in meeting established goals and better understanding clients, as a positive reputation and future opportunities depend on them. Quality outsourcers act as an extension of an organization, tasked with learning everything possible about the

applications, the environment, and the users supported. One of the most important roles of an outsourcer is to integrate seamlessly into the client's culture and company.

Myth #3 – Companies, specifically CIOs, lose some control when an outsourcer is brought in to provide service desk services.

Allowing another firm to come in and take control of your service desk can be unsettling. However, when the service desk function is outsourced, control is maintained via a service level agreement where both parties build in flexibility as business dictates. Managed service providers understand, however, that clients often experience periods of fluctuating demand stemming from unforeseen circumstances, such as system crashes, viruses, and application rollouts. Outsourcers generally have the staff and resources to handle peak volumes and retain control of performance during hectic periods.

In addition, many outsourcers have real-time data accessible to CIOs giving them continuous insight into their support environment and the opportunity to step in any time they believe something is amiss.

Myth #4 – If the resolution rate of the internal service desk is sufficient, there is no reason to consider outsourcing.

While resolving user issues is a critical service desk function, it is only part of the value a service desk provides. The service desk is a repository of data reflecting all activity within an IT organization. With the right tracking tools and reporting mechanisms in place, an outsourcer can provide CIOs with meaningful information affecting business goals, priorities, and objectives. When the service desk serves as a single point of contact, it becomes a powerful tool in the decision-making process. Another reason to consider a vendor-provided service desk solution is the added benefit of working with professionals who have experienced many diverse environments and are knowledgeable about a broad range of tried and tested solutions and strategies.

Myth #5 – Contracting an outside vendor for service desk support will result in backlash from technicians and end-users. A consensus should be reached before an outsourcing decision is made.

Customer backlash and employee morale are among the top four reasons companies decide not to outsource, according to a recent study by the Help Desk Institute. But as the saying goes, "When you try to please everyone, you please no one." It is nearly impossible to build 100 percent consensus regarding an outsourcing decision across an entire organization. Both engineers and end-users have hidden concerns and personal agendas, which influence their opinions and perspectives. Also, individuals are often apprehensive about change and its ramifications, and how a vendor is introduced and promoted by senior management can influence acceptance. This is true throughout the life of any contract.

Myth #6 – A firm needs to be in "top shape" before considering an outsourcer for the service desk function.

Most firms decide to outsource because they know their service desk isn't functioning effectively. Engaging experts in the service desk industry can resolve inefficiencies and other issues more quickly than if internal resources are charged with bettering the system before bringing in outside help. By adopting the outsourcer's technology, ITIL framework and processes, and knowledge of best practices, many firms experience speedy improvements in the support offered. A

comprehensive discovery and implementation phase will ensure support training is thorough; the procedures for escalations, routing, and notifications are correctly established; service desk documentation is accurate; testing is complete. An outsourcer also can introduce process improvements in many areas, including those addressing regulatory standards for compliance.

Myth #7 – Outsourcing is not needed because the internal IT department currently receives no complaints from end-users.

A lack of user complaints does not necessarily mean all systems are running efficiently and effectively. Often, users can be unhappy, but management may be unaware of this. When users are frustrated and do not know how to find help, they seek other means of support, such as questioning colleagues, browsing the Web, or trial and error. Unfortunately, these efforts can increase downtime and decrease hidden costs can be as much as 25 percent of the entire IT budget.

Myth #8 – Handling technical support calls internally can lead to revenue opportunities that would otherwise be lost when managed by an outside firm.

Service desk professionals can be trained to listen for “key” words or situations, regardless of whether they are internal personnel or hired, trained, and managed by an outsourcer. In most cases, calls resolved by the service desk are routine and generally do not involve management contacts. Even so, an outsourcer can help enhance the client’s reputation by providing quality solutions, rendering top-notch customer service, and supporting its product offerings in a professional and efficient manner. Additionally, a robust support tool can produce summary and detailed reports identifying trends and even revenue opportunities that may not otherwise be recognized.

Myth #9 – Companies sometimes overpay for outsourcing solutions because the dedicated service desk agents provided by the vendor remain idle during downtime.

When service desk agents are located at a client site, dedicated personnel can handle other tasks. In fact, according to the Help Desk Institute’s Practice & Salary Survey, support professionals spend on average between 7 and 9 percent of their time working on special projects. If contact volume permits, multi-tasking makes sense; however, companies need to be aware that diverting attention from support calls can dramatically impact service levels. Adherence to best practices and agreed-upon service levels should remain the focus unless SLAs are relaxed at the client’s request for the sake of other priorities.

Myth #10 – Using an outsourcer is risky because it allows resources from outside the company to interact with its most prized possession: its customers.

Whether end-users are the internal or external customers of a company, the bottom line is they are all considered customers to the outsourcer. A truly customer-focused vendor treats all callers in a friendly and responsive manner, understanding the importance of every word exchanged.

To ensure that first-rate customer service is provided to all end-users, some outsourcers monitor Key Performance Indicators (KPI) that furnish a variety of statistical data for each agent. Through KPIs, the outsourcer can review such factors as utilization, resolution rates, availability, and customer satisfaction ratings and comments. These metrics, coupled with quality assurance procedures, help create a pleasant support experience regardless of the nature of the contact or the identity of the ultimate customer.

Basing Your Decision On the Truth

It is not uncommon for companies to be concerned about how an outsourced service desk solution will affect the cost per incident, call resolution rate, and other key performance indicators of the service desk. Whether or not you believe any of the “myths” that often stop firms from looking at vendor-provided options, the truth is that any outsourcing decision should be driven by the strategic and economic value of the support provided. A careful evaluation of the people, processes, and technologies offered by an outsourcer will diminish falsehoods and help you make a decision based on fact rather than fiction.



About Mechdyne IT Services

Our 100% US-based IT professionals offer a full range of IT support services including an ITIL best-practices-driven service desk that enables end-users to get back to work quickly and improve the businesses for which they work. Mechdyne IT Services is a business unit of Mechdyne Corporation, a global technology leader creating distinctive electronic, software, and service solutions that enable discovery.

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