Session 501: Metrics Magic: Ask the Experts!

Rae Ann Bruno | John Custy | Jeff Rumburg
A Note About this Slide Deck

Please note that this is not a standalone presentation. These slides were compiled by the panelists for illustrative purposes only, and to assist in answering questions from the audience.
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Your Speaker: Rae Ann Bruno

- Rae Ann Bruno is the president of Business Solutions Training, Inc., where she consults and trains in various areas of ITIL, KCS, communications, internal marketing, metrics, and process improvement. Rae Ann holds several ITIL certifications, is a faculty trainer for HDI, and is the author of "Translating IT Metrics into Business Benefits" and "What Have You Done for Me Lately? Creating an Internal Marketing Culture." She is also a member of the HDI International Certification Standards Committee, IT Industry Legends, and HDI Hall of Fame.
Your Speaker: John Custy

John Custy
JPC Group
jpcgroup@outlook.com
Service Management Practitioner, Consultant and Educator

- Ron Muns Lifetime Achievement Award
- IT Industry Legends
- HDI Hall of Fame
- ITIL Expert & ITIL Service Manager
- ITIL Intermediate – SS, SD, ST, SO, CSI, OSA, SOA, PPO, RCV
- DevOps Certified - Instructor
- KT Certified Instructor
- ITIL Accredited Trainer
- KCS Verified Consultant
- ISO/IEC 20000 Consultant
- ISFS, ISMAS based on ISO/IEC 27002
- HDI Faculty & Certified Instructor

25 Service Management Experts to Watch in 2016, 2017, 2018
20 Best Service Management People to Follow on Twitter
Top 25 Thought Leaders in Technical Support and Service Management
20 of the Best ITSM Thought Leaders of 2018
Your Speaker: Jeff Rumburg

- Co Founder and Managing Partner, MetricNet, LLC
- Winner of the Ron Muns Lifetime Achievement Award
- Named one of HDI’s Top 25 Thought Leaders 2016, 2017 & 2018
- Former CEO, The Verity Group
- Former Vice President, Gartner
- Founder of the IT Service and Support Benchmarking Consortium
- Author of *A Hands-On Guide to Competitive Benchmarking*
- Harvard MBA, Stanford MS
Key Performance Indicators (KPI)

- A type of metric that measures progress toward achieving one’s goals and objectives
- Leading or lagging
- Understand their *interconnected cause-and-effect relationships*
# Types of Metrics

## Leading Indicators
- ✓ Activities
- ✓ “How are we likely to perform?”
- ✓ Predictive in nature
- ✓ I.e., AHT

## Lagging Indicators
- ✓ Results
- ✓ “How did we perform?”
- ✓ Results or outcome of change
- ✓ Normally easy to identify and capture
- ✓ Goals and objectives should be based on lagging indicators whenever possible
- ✓ I.e., CSAT
Where Am I Going? What to Measure?

The Cat only grinned when it saw Alice. It looked good-natured, she thought; still it had very long claws and a great many teeth, so she felt that it ought to be treated with respect.

“Cheshire Cat,” she began, rather timidly, “Would you tell me, please, which way to go from here?”

“That depends a good deal on where you want to get to,” said the Cat.

“I don’t much care where,” said Alice.
Where Am I Going?

“That doesn’t matter which way you go,” said the Cat.

“So long as I get somewhere,” Alice added as an explanation.

“Oh, you’re sure to do that,” said the Cat. “If you only walk long enough.”
METRICS: An Even More Fundamental Building Block!
The Evidence for Metrics as a Foundation Block

![Graph showing the relationship between Desktop Support Balanced Score and Metrics Maturity Ranking. The graph has a scatter plot with a trend line, indicating a positive correlation. The number of observations, n, is 143.](image-url)
The Dilemma with Service Desk KPIs

- Have You Leveraged KPIs for World-Class Performance? 5%
- Do You Use Metrics to Continuously Improve? 10%
- Do You Use Metrics Prescriptively? 10%
- Do You Use Metrics Diagnostically? 20%
- Do You Understand KPI Cause-and-Effect? 30%
- Do You Set Performance Targets with KPIs? 60%
- Can you Define Your KPI’s? 80%
- Do You Use Metrics for Reporting? 90%
- Do You Have KPIs? 100%
Some Common Service Desk Metrics

**Cost**
- Cost per Inbound Contact
- Cost per Minute of Inbound Handle Time
- Net First Level Resolution Rate

**Quality**
- Call Quality
- Net First Contact Resolution Rate
- Customer Satisfaction

**Service Level**
- Average Speed of Answer (ASA)
- % of Calls Answered in 30 Seconds
- Call Abandonment Rate

**Productivity**
- Inbound Contacts per Technician per Month
- Outbound Contacts per Technician per Month
- Technician Utilization
- Technicians as a % of Total Headcount

**Contact Handling**
- Inbound Contact Handle Time (minutes)
- Outbound Contact Handle Time (minutes)
- Inbound Contacts as a % of Total Contacts
- User Self-Service Completion Rate

**Technician**
- Annual Technician Turnover
- Daily Technician Absenteeism
- Technician Occupancy
- Schedule Adherence
- New Technician Training Hours
- Annual Technician Training Hours
- Technician Tenure (months)
- Technician Job Satisfaction

And there are hundreds more!!
The 80/20 Rule for Service Desk KPI’s

- Cost
  - Cost per Ticket

- Quality
  - Customer Satisfaction

- Productivity
  - Agent Utilization

- Call Handling
  - First Contact Resolution Rate

- TCO
  - First Level Resolution Rate

- Agent
  - Agent Job Satisfaction

- Aggregate
  - Balanced Scorecard
Characteristics of an Optimized Service Desk
Reverse the Normal Approach

Start with the Questions.
What do your stakeholders want to know?
What critical services do you provide and how does it impact business?
Ask! Understand what information is needed.

Review
• What reports do you have today that answer the questions?
• Which reports/metrics measure efficiency? effectiveness? Improvement? Results?
• What metrics can you use to “tell the story” or answer the questions?

Answer
• What can we answer today?
• What do we need to change?
• How are we performing? Where do we excel? What can we improve?
• What are we showing the business? I.T.? Our team?
<table>
<thead>
<tr>
<th>Efficiency</th>
<th>Quality</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Network speed</td>
<td>• Baseline</td>
<td>• Customer Satisfaction</td>
</tr>
<tr>
<td>• First contact resolution (FCR)</td>
<td>• System Performance Monitoring</td>
<td>• Saved time</td>
</tr>
<tr>
<td>• IT hours spent on projects</td>
<td>• Incident Monitoring</td>
<td>• Productivity</td>
</tr>
<tr>
<td>• Time to resolution</td>
<td>• Knowledge Monitoring</td>
<td>• Business impact</td>
</tr>
<tr>
<td>• Accuracy</td>
<td>• Quality Index</td>
<td>• Correlation to business needs</td>
</tr>
<tr>
<td>• On time, on budget</td>
<td>• Core System Availability</td>
<td>• WIIFM (What’s in it for me?)</td>
</tr>
<tr>
<td>• Transactions per second</td>
<td>• Coaching</td>
<td>• Accuracy</td>
</tr>
<tr>
<td>• Defect removal</td>
<td>• Alignment with goals</td>
<td>• Trending</td>
</tr>
<tr>
<td>• Correct routing</td>
<td>• Proper sense of urgency</td>
<td>• Top types</td>
</tr>
<tr>
<td>• Automation</td>
<td>• Customer Service Skills</td>
<td>• Priority</td>
</tr>
<tr>
<td>• Appropriate prioritization</td>
<td>• SLA/OLA compliance</td>
<td>• Cost</td>
</tr>
<tr>
<td>• Maximum duration of outage</td>
<td>• Service Review meetings and improvement plans</td>
<td>• Per contact</td>
</tr>
<tr>
<td>• Number of Core system outages</td>
<td></td>
<td>• To business</td>
</tr>
<tr>
<td>• Reliability</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Mean time to repair</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
# Customer Orientation Scorecard Metrics

<table>
<thead>
<tr>
<th>Objective</th>
<th>Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Customer Satisfaction</strong></td>
<td>Business Unit survey ratings, Service quality and responsiveness, Contribution to business objectives</td>
</tr>
<tr>
<td><strong>Development services performed</strong></td>
<td>Major project success scores, Goal attainment, Sponsor satisfaction</td>
</tr>
<tr>
<td><strong>Operational services performed</strong></td>
<td>Service level compliance, Mean time to restore service during major incidents</td>
</tr>
</tbody>
</table>

Source: Taylor & Francis Group
# Operational Excellence Scorecard Metrics

<table>
<thead>
<tr>
<th>Objective</th>
<th>Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operational process</td>
<td>Productivity</td>
</tr>
<tr>
<td>performance</td>
<td>Responsiveness</td>
</tr>
<tr>
<td></td>
<td>Change management effectiveness</td>
</tr>
<tr>
<td></td>
<td>Incident occurrence levels</td>
</tr>
<tr>
<td>Process maturity</td>
<td>Assessed level of maturity</td>
</tr>
<tr>
<td></td>
<td>Delivery and support</td>
</tr>
<tr>
<td></td>
<td>Monitoring</td>
</tr>
<tr>
<td>Architecture Management</td>
<td>State of the infrastructure assessment</td>
</tr>
<tr>
<td></td>
<td>Product acquisition compliance with technology standards</td>
</tr>
<tr>
<td></td>
<td>Increased reliability as result of architecture changes</td>
</tr>
</tbody>
</table>

Source: Taylor & Francis Group
# CRM Scorecard Metrics

<table>
<thead>
<tr>
<th>Objective</th>
<th>Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer</td>
<td>Retention percent</td>
</tr>
<tr>
<td></td>
<td>Win-back percent</td>
</tr>
<tr>
<td></td>
<td>Customer acquisitions</td>
</tr>
<tr>
<td></td>
<td>Customer satisfaction</td>
</tr>
<tr>
<td>Process</td>
<td>Conversion rate per sales channel</td>
</tr>
<tr>
<td></td>
<td>Cost of sales per sales channel</td>
</tr>
<tr>
<td></td>
<td>Service level per channel</td>
</tr>
<tr>
<td></td>
<td>Cost per service encounter</td>
</tr>
<tr>
<td>Staff</td>
<td>Employee satisfaction</td>
</tr>
<tr>
<td></td>
<td>Employee retention</td>
</tr>
</tbody>
</table>

Source: Taylor & Francis Group
<table>
<thead>
<tr>
<th>Customer Satisfaction</th>
<th>Business Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Overall satisfaction of IT Services</td>
<td>• Active projects linked to business initiatives</td>
</tr>
<tr>
<td>• Projects delivered within budget</td>
<td>• Cost or time savings realized</td>
</tr>
<tr>
<td>• Projects delivered on time or sooner</td>
<td>• Active projects with approved funding/business cases</td>
</tr>
<tr>
<td>• Results achieved from new or changed service</td>
<td>• Projects delivering expected business results/benefits</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Operational Excellence</th>
<th>Innovation/Future Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Mean time to restore services</td>
<td>• New technology capabilities introduced</td>
</tr>
<tr>
<td>• Success of user training</td>
<td>• Automation of routine requests/business processes</td>
</tr>
<tr>
<td>• % of Security incidents</td>
<td>• Increased number of new ideas</td>
</tr>
<tr>
<td>• Incidents related to releases</td>
<td>• Revenue or results from new products or services</td>
</tr>
<tr>
<td>• Reliability of services</td>
<td></td>
</tr>
<tr>
<td>• Security incidents prevented</td>
<td></td>
</tr>
<tr>
<td>• Service quality and responsiveness</td>
<td></td>
</tr>
</tbody>
</table>
Share Your Thoughts & Shape the Future!

Thank you for attending this session.

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