Metrics and Myths About Metrics

Roy Atkinson
HDI Connecticut Chapter
September 19, 2014
About

• HDI Senior Writer / Analyst
• White papers, SupportWorld articles, research reports, HDIConnect
• > 14 years experience as a practitioner
• Conference Faculty HDI 2014, FUSION 14
• International Certification Standards Committee (ICSC); Desktop Support Advisory Board (DSAB)
• Advanced Management Strategy
  Tulane University Freeman School of Business

Twitter: @HDI_Analyst | @RoyAtkinson
1. Measure the things that matter
2. Understand connections
3. Assign goals properly
4. Myths about metrics
This Isn’t Easy

Things that are easily measured very rarely get us to what we really want.

— Steve Hultquist, in SupportWorld
Show of hands:
Your last full metrics review with stakeholders was
• More than 1 year ago
• 6 Months to a year ago
• Last quarter
• Last month
Quick show of hands...

When was the last time you made any **major changes** to either the metrics or the way they are reported?

- 1 Year or more
- 6 Months – 1 year
- Last quarter
- Last month
What do you think?

Has the world of IT and/or technical support changed at all in the last 2 years?

Will change continue?
Pressure

Is Your IT Department Currently Feeling Pressure to Prove Its Value?

- Yes: 54%
- Somewhat: 31%
- No: 14%

Is Your Support Center Currently Feeling Pressure to Prove Its Value?

- Yes: 51%
- Somewhat: 36%
- No: 13%

Source: HDI Research – September 2013
Flow of Information

- **Strategic**
  - Business focus
- **Tactical**
  - Requirements for success
- **Operational**
  - Proof of execution

Based on *The Definitive Guide to IT Service Metrics* by McWhirter and Gaughan
Flow of Information

Key: Deliver the right information to the right people at the right time.
Changing Metrics

Strategic Business focus

• What do executives and leaders want to know?
• When and how often do they want to know it?
• How do they want the information expressed?
• How do they want the information presented?
Nothing Lives in a Vacuum

“Spooky action at a distance”
Nothing Lives in a Vacuum

- Metrics are closely related
- Change in one affects others
As an Example: Shift-Left

*Shift-Left* means pushing more technical work toward the front line, and repetitive work out into self-service.

- Q1: Is it the right plan for your organization?
- Q2: If yes, how do you measure success?
- Q3: How will your metrics change?
If you *Shift-Left*, what happens to:

- Average Handle Time
- Speed to Answer
- First Level Resolution Rate (FLRR)
- MTTR
- CSAT
In 2010, cost per ticket for phone was $20. In 2013, cost per ticket for phone was $17. Percentage of support centers that say the number (volume) of tickets (all channels) has increased:

- 2009 – 70%
- 2010 – 67%
- 2011 – 68%
- 2012 – 66%
- 2013 – 66%

Have costs decreased?
How Metrics Affect Each Other

Fully-burdened cost per ticket

(Total costs ÷ Total number of tickets)
Total costs = $1.3M/yr | Total # tickets = 52,000/yr
    Fully burdened cost per ticket = $25
Total costs = $1.4M/yr | Total # tickets = 76,000/yr
    Fully burdened cost per ticket = $18.42

Have costs decreased?
Top Spending Priorities 2013-14

1. Support business growth
2. Improve customer service
3. Improve efficiency
4. Reduce costs
5. Expand services

Metrics That Make Sense

Support Business Growth:
- Efficiency, effectiveness, capacity

Improve customer service:
- CSAT, NPS® or CES; MTTR, IUM

Improve efficiency:
- AHT, FCRR, Quality scores

Reduce costs:
- Cost per ticket / user; IUM, CoD

Expand services:
- Capacity (volume), utilization, value
Change of Focus

Quantitative
How many times are we...?
Activities
We resolve tickets.

Qualitative
How well are we...?
Outcomes
We help produce business results.
Myths About Metrics

- There are “industry standards”
- The numbers published in the *HDI Support Center Practices & Salary Report* are goals
- First Call Resolution is king
- We should set goals on activity-based metrics
What is an *industry standard*?

“*Generally accepted requirements followed by members of an industry.*” - BusinessDictionary.com
This is an industry standard:

This is **not** an industry standard:

\[ \text{FCRR} = 68.8\% \]

(It’s the *average* FCRR of respondents to our survey.)
Myth: Published Metrics Are Goals

- HDI’s published metrics are *averages* or *medians* (and are labeled as such)
- They are intended as general industry benchmarks
- They are **not** intended to be considered goals or *best practices*
Is the Fast the Enemy of the Correct?

- Customers do want their issues addressed quickly
- More importantly, they want issues fixed correctly
A Closer Look at FCR

FCR is, in reality, mostly a measure of fixing *known issues* and *repeated requests*.
So that means...

About 70% of the calls that come to the desk are about known issues.

Is that a good thing?
Myth: We Should Set Goals on Activities

What happens if you say, “We must achieve 75% FCRR next month?”
Myth: We Should Set Goals on Activities

“Stores will be rated on whether or not they have all their shelf-talkers displayed.”
The metric is not the goal. The metric is only a milepost that helps you measure your progress towards your goal.
“Don’t put goals on activities; put goals on outcomes.” - Phil Verghis
http://www.thinkhdi.com/topics/library/white-papers.aspx

roy.atkinson@ubm.com