

Establishing Shared Services: Leveraging the Service Desk to be a Profit Multiplier



Fundamental to any MSP's core business model is their ability to offer economics that appeal to a prospective customer. This means offering value-added services more cost effectively than that business could with its own resources. To do so, MSPs need to wring optimal efficiency from their people, operations, and infrastructure. Core to this is an ability to build so-called multipliers.

Take pure, one-to-one consulting as a basis for comparison. If a consulting firm hires one person, who effectively has a ceiling of billing 2,000 hours a year and a billing rate of \$100 an hour, that new hire could generate maximum revenue of \$200,000 a year—and that assumes that individual could actually keep busy and bill for that entire 2,000 hours available, which isn't realistic in most cases. In contrast, the value proposition of an MSP is an ability to scale revenue per staff member and to support more clients and services with that one person. For example, by adding a new staff member that could support multiple clients and services, an MSP could seek to increase revenue by \$400,000 a year.

The service desk is at the core of whether MSPs can realize these multipliers, and, if so, to what degree they help deliver increased revenues and margins. This is true for any MSP and especially so for those MSPs that provide service desk offerings to clients.

Integral to this is the degree to which the service desk supports shared services, the ability to effectively build one-to-many leverage points. There are four things that MSPs can share and leverage to become more efficient: the service desk application, processes, staff, and knowledge. These four areas represent fertile ground for many MSPs today. As they embark on efforts to support shared services across these four areas, they can realize near term and long term improvements in both operational efficiencies and service levels. The following sections look at each of the four areas in more detail.

Service Desk Application

To assess the importance of having a consolidated service desk, consider the following hypothetical MSPs:

- **Acme MSP.** Acme MSP takes calls on behalf of its customer base of ten companies, with its agents fielding inquiries and incidents. Each customer has its own unique service desk application that Acme agrees to work with. Thus, if a user from customer A calls in an incident, an Acme MSP agent would need to log a ticket into customer A's service desk, and into the MSP's service desk for internal tracking purposes. Further, each agent would need to be trained for multiple customer service desk applications, as well as the MSP's internal system.
- **Beta MSP.** In contrast, Beta MSP uses one service desk system that its ten customers are required to interface with. Consequently, end users and MSP staff both work off a single, unified platform.

Following are just a few of the many benefits Beta would have over Acme as a result of its shared service desk:

- **Agent productivity and service levels.** Using one system, agents at Beta are much more efficient and productive than agents at Acme. Ultimately, that makes them more responsive, which translates to improved customer service and satisfaction.

- **New customer ramp.** It's much faster for Beta to ramp up new customers as staff can leverage proven processes, technologies, and skill sets in implementation—rather than building these capabilities from scratch for each new engagement.
- **Operational insights.** Agents at Beta get a consolidated view of tickets, agent workload, customer usage and much more, which makes identifying opportunities for improving operations much easier.
- **Data consistency and currency.** Acme may set up some level of integration, so that, for example, if an agent updates a ticket in customer A's service desk, that update is automatically propagated to the MSP's service desk. However, even with some rudimentary automation, supporting these myriad service desk applications presents a high cost to Acme. Any time there are multiple systems and repositories, the likelihood is high that redundant effort, inconsistent data and lack of currency in a given repository will be the result.
- **Automation.** Service desk platforms can automate many mundane and common tasks, which is a critical multiplier for MSPs. Having one service desk enables Beta to focus all its process and tool development work on automating its single service desk, so it can take full advantage of this opportunity. Acme on the other hand would need to invest inordinate resources in developing automation for so many tools.

To realize this unified service desk platform, Beta needs a service desk application that supports multi-tenancy and a self-service portal, so clients and the MSP work from one application. However, to be practical, the application must have the architecture and safeguards needed to ensure that one client can't view or access the data of another client.

Processes

MSPs can leverage well-defined processes across their customer base in order to multiply revenues per staff member. So for example, if an MSP with ten clients has identical or very similar processes for handling tickets for each client, agents will be much more productive than if they had to learn and support a unique process for each client.

To realize these efficiencies, MSPs need to get customers to buy in to accommodating the MSP's processes. In this effort, it's critical that the MSP can position these processes as based on industry-accepted best practices, such as the Information Technology Infrastructure Library (ITIL®). This gives the customer confidence in two key areas. First, the MSP can instill more confidence that the processes will be effective and efficient. Second, the processes developed can be portable across other ITIL-compliant service providers if the customer ultimately decides to change vendors. Thus, the client will be more inclined to adapt their existing processes to that of the service provider. If the service provider simply refers to their processes as internally developed, this becomes a much harder sell, and the customer is more likely to resist change.

Staff

In some cases, an MSP may want to dedicate a specific agent to a specific customer account, so that one person is the point contact for fielding all of that organization's inquiries and requests. For most MSPs and in most cases, however, it's advantageous for the MSP to have an entire team of agents capable of supporting multiple clients. Enabling agents to move from supporting one customer to another provides a significant set of advantages, including more effectively accommodating spikes in demand and for effectively balancing workload across the support team. To achieve this goal, one key requirement is shared knowledge, which is covered in the next section.

Knowledge

Historically, in a small MSP, when a help desk agent works to solve a customer issue, the knowledge gained through the course of that interaction isn't saved and shared in any systematic way. As a result, other agents can't leverage the knowledge when they encounter a customer with a similar issue. Further, if an agent is engaged with a customer issue that takes days to resolve, and is out sick one day, and the customer calls into inquire about the status of that issue's resolution, no other agents may be able to provide detailed responses and timely service.

To fully enable knowledge sharing as a revenue multiplier, the service desk needs to support the easy capture of knowledge. This should include process integration, so, for example, an agent isn't able to close a ticket without submitting the appropriate knowledge, including customer environment specifics, solutions and more. In addition, service desks need to support the use of this knowledge; it needs to be easy for agents to find relevant answers for the issues they're working on, when they're working on them.

This capture of knowledge is vital, and can help in several ways. First, building an effective knowledge base helps MSPs to solve problems faster. It can address the issues outlined earlier; agents don't need to reinvent the wheel each time a new inquiry or issue arises. Second, one agent can more quickly and effectively step in for another agent if that team member is out for any reason.

This knowledge base can also provide other significant benefits. For example, if an agent discovers an issue with a common server platform, they could flag that issue and its relevant solution for inclusion across customer implementations, so other customer issues could be

addressed more quickly. In addition, agents can even take proactive measures to mitigate the known issue before it has an impact on other customers. Further, this knowledge can be used to power self-help capabilities, so, a customer's engineer could get the answers needed to address the server issue directly.

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