

## The Importance of Service Level Agreements in the Help Desk Environment

Times are lean in the technology support industry these days. With smaller budgets and a reinforced emphasis towards using IT as a tool to help maintain the productivity of employees, organizations are cautious in where they're willing to spend their technology support dollars and demand results from all areas of their technology environment. Measuring the success of an initiative has become as important as the initiative itself.

Service level agreements (SLAs) are a critical component of all successful help desk operations. SLAs provide a means by which a help desk's success may be gauged and they perform the important task of setting expectations within the end-user community. The partnership between support professional and end-user is a key factor in the development process. Without understanding the basic expectations of your user community, you cannot create a framework upon which to build your SLAs.

In addition, SLAs should be used to measure and communicate the overall performance of your help desk. Benchmarking against carefully developed SLAs will allow you to identify areas of improvement, justify increased or decreased staffing levels and allow management to understand the impact to service delivery when new services or expectations are set. SLAs assist the help desk in setting priorities based on the business needs of the company. Problems that are identified in either a reactive or proactive mode can now be responded to based on the impact it will have to the business, not just the user. For example, if an e-commerce web server is not working, the resolution of that will take precedence over a sticky keyboard. This may seem like common sense, but in the hectic world of a help desk analyst, this is sometimes overlooked, especially if the user calling about the sticky keyboard is the vice president of human resources.

The Gartner Group has made the following observations related to the development, implementation and management of SLAs.

- IS organizations that do not use SLAs to define and manage user expectations will see their influence over enterprise IT decisions and implementation diminish.
- 75% of service providers will experience significant shortcomings in meeting expected service levels or in providing seamless delivery and process integration.
- The key focus of operations management in 60% of enterprises will evolve from fault isolation to end-user service-level agreement fulfillment.

You would assume with these statistics that organizations all over the world would be implementing SLAs in their own environment, but this is not the case. While Gartner's observation clearly shows that if support organizations want to remain successful and perceived as bringing business value to an enterprise, it must integrate the SLA process into its culture. A recent survey by the Help Desk Institute (HDI) showed that fewer than 50% of the respondents have SLAs in place with their customers and less than 40% had SLAs in place with vendors.

*The help desk, providing support services to an organization's end-user community, is an area of increased focus. Companies are asking themselves: how can I maximize the service delivered by the help desk? What can I do to ensure user productivity, customer satisfaction and still address the increasing call volumes I encounter everyday? In short, how can I get the most bang for my buck?*

Fundamentally, the SLA provides a methodology for introducing and implementing reasonable expectations for the user community supported by your help desk. SLAs serve as a guide for establishing good, sound business relationships. Although SLAs are dynamic, changing according to the needs of the environment, they should provide measurable, meaningful and objective goals as to what the level of service delivered to the user community will be. Typical help desk SLAs include the average speed to answer a call or respond to an e-mail, abandonment rates, first call resolution (FCR), and open/re-opened service requests. Traditional help desk SLA targets include:

- Abandonment rate
- Average speed to answer (ASA)
- First call resolution
- Customer satisfaction
- Open-service requests/re-opened service requests

There are additional measurements that can be used to measure the quality of service delivered to the user community such as resolution times, escalation and notification times and cost per call. What is measured depends on your business, your goals and how your help desk environment impacts your user community.

### **Developing Your SLAs**

SLAs should never be arbitrarily developed and implemented. The results could negatively impact user productivity and harm the reputation of the help desk. If used properly, the five-step methodology outlined below will ensure that your help desk SLAs are realistic, attainable, meet end-user expectations and add value to your organization.

It should be noted that in addition to developing SLAs between the help desk and your customers (the user community), SLAs need to be established between the help desk and other support groups, including all other support areas and/or vendors that provide proactive (such as network alerts, change management) and reactive services (such as network and application development) to the help desk. This can be a much more complicated process, since many of these areas do not fully understand the impact they have on help desk service delivery. All SLAs need to be carefully negotiated and need full management support.

### **SLA Development Five-step Methodology**

#### *1. Understand your customer's business structure & objectives*

The first step in developing SLAs is to understand how your customer's business is structured and how each of the areas affected contribute to the overall business objectives of the company. It's imperative that you understand your customer's daily needs, operations, processes and goals - a comprehensive understanding of these items will lead to sound SLA practices.

#### *2. Gather & analyze SLA requirements*

Second, you must identify the expectations for help desk service delivery for each of these groups. Depending on the size of the organization this is best accomplished through a survey or interview process. Key areas to focus on include requirements and expectations related to availability, response times, resolution times and the quality of resolution. It is also important to understand from the user perspective if and when certain problems are more critical than others. It is recommended that a matrix be created that will allow you to weigh and chart user requirements and expectations. Understanding these areas, and the relative importance to each group will drive your SLA targets.

Once you have completed the survey and analysis process, you will be able to start developing SLAs. For each SLA that you develop, you will need to perform additional analysis to see what service level the help desk can achieve based upon the current people, process and technology in place. As you go through the development process, make sure that each SLA is measurable and that your organization has the tools and reports in place to do so. There may be a need for additional help desk funding if there is a gap between what is required and what can be delivered. User requirements and expectations will need to be modified if additional funding cannot be located for SLA attainment and/or reporting.

### *3. Choose the format for your SLAs*

There are different types of formats you can choose from for SLAs. You can choose the traditional legal contract format, a Word document with tables or a short sentence/paragraph stating, “I agree to provide service under these terms.” It is best to keep the document as simple and free of legal jargon as possible. Complicated SLA documents that cannot be easily understood by all parties will lose their effectiveness and will have little value to any of the parties involved. Avoid using terms like “The help desk may” and use “The help desk will”. The former leaves room for interpretation based on advantage.

During this step you should also document:

- How the SLA will be calculated.
- What tool will provide the measurement.
- The frequency of the measurement
- Whether or not the help desk has the reporting capabilities to communicate results.

This will give you a solid baseline as you go through the next two steps.

### *4. Establish SLA work groups*

During this step you will identify the specific individuals in your customer groups who will participate in your SLA work groups. The purpose of the work groups is to finalize and mutually agree to the measurements and reporting methods that were developed as framework. The work groups should include a single point of contact from each business unit that either is a recipient of service from the help desk or has influence in how the help desk delivers service. One individual should be appointed as the group leader, preferably someone with an objective opinion, who understands the business impact of SLAs. There also needs to be sufficient management representation so the final outcome accurately reflects the business objectives of the organization. These work groups will be responsible for finalizing the SLAs prior to implementation.

### *5. Hold work group meetings & finalize SLAs*

In this final step of the development process, work group meetings will be held to create and develop specific task plans as well as determine the schedules and timetables for implementing the SLAs. The most important part of this step is the negotiation and possible modification of the baseline SLAs, measurements and reporting previously developed. This is not an easy process and there will be much discussion about the responsibilities for each group and the ability to deliver based upon the staff and technology in place.

This can be a time-consuming project depending on the number of participants and the thoroughness of the analysis done up front. However, the end results will be well worth the effort. Once completed, the help desk will have clear understanding of what they are expected to deliver to the user community.

Prior to announcing your SLAs to the user community, it is highly recommended that a pilot SLA period be established. This can be a one-to-three month period, where SLA attainment is carefully monitored and analyzed for over or under achievement. Depending on the variances, it may be necessary to make adjustments to accurately reflect the value of each SLA.

## **How to Maintain Your SLAs**

Conducting ongoing maintenance of your SLAs is important for ensuring they are still relevant as new technology and processes are introduced into the support environment. The following four steps will assist you in your maintenance efforts:

### *1. Conduct monthly performance review meetings with customers, management & staff*

It's important to conduct monthly performance review meetings with your customers, management, staff and other support areas. This allows everyone the opportunity to identify any changes in the service environment. You may also want to add a change clause or addition as an addendum to the SLA to allow mutually agreed upon changes.

## *2. Conduct proactive analysis of service disruptions*

Proactively analyze SLA compliance and non-compliance. This should easily be accomplished if the proper reporting and analysis processes were created during the development phase. It is recommended that the types and frequency of analysis be written into the SLA.

## *3. Renegotiate & adjust SLA reporting requirements as your business changes*

While conducting the monthly review meetings and analyzing SLA results, you may find that you need to renegotiate and adjust the established criteria. You may also need to adjust the reporting requirements to reflect changes in business initiatives, products and services.

## *4. Establish an annual process to review & update your SLAs*

Establishing an annual process to review and update your SLAs is a very important part of the SLA maintenance process. Even if your environment hasn't changed much over the past year, you should still review and analyze your service level agreements with your customers, as there may be a need for some minor changes made.

## **Conclusion**

The establishment and maintenance of meaningful SLAs is a critical factor for today's successful help desk operations. Without them it is difficult for the help desk to set user expectations, to help control user satisfaction or provide a framework to set help desk priorities. In addition, the help desk will become increasingly unable to justify budgets, requests for new technology, training or increases in staffing levels. If developed properly, SLAs will show the true impact the help desk has on the overall business objectives and contribution to the bottom line.

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