Shared Service Management

Prepared by Ollie O'Donoghue
Service Desk Institute

Service Desk Institute

Declaration

While every care has been taken to ensure the accuracy of this report, the results, estimates and opinions stated are based on sources which, while we believe them to be reliable, are not guaranteed. No liability can be accepted by SDI, its Directors or Employees for any loss to any person acting or failing to act as a result of anything contained in or omitted from this report, or conclusions stated.

Prepared by SDI

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Background and Methodology

This report has been conducted to investigate the level to which shared service management is becoming a recognised and viable option for the service desk industry. Focusing on the perceived challenges, benefits and current adoption of the model, this report aims to shed light on where service desks are now, and where they are likely to be in the future regarding shared service management.

During October 2014 to January 2015, the shared service management survey was distributed to a cross section of service desks and shared service organisations. The diverse sample came from both private and public sector organisations and from a range of organisations sizes.

Key findings

- Over 90% of organisations surveyed have more than one service desk

- 55% of service desks are already planning for shared service management

- 83% of respondents believe key decision making will take place at a corporate or director level.

- 55% of service desks receive between 3% and 12% of calls that are meant for another service.

- 7% of service desks receive over 12% of calls that are meant for another service

- Over 80% of service desks identify the main benefit of forming a shared service is to improve the quality of service they deliver

- Cultural differences, politics and different ways of working are viewed as the biggest obstacles to shared service management

Introduction

The prospect of merging back office functions such as IT, HR and finance into one central service desk has been a popular streamlining option for a variety of organisations. Contemporary discussion on the benefits of shared services range from raising the quality and accessibility of services to securing sustainable efficiencies and savings.

With the vast majority of organisations hosting multiple disparate back office functions, adopting a shared services model is justifiably investigated as a route to many of the strategic objectives organisations have formulated to remain competitive and face future challenges.

It is, of course, important to recognise the many differences service desks have, especially the unique relationship they have with their customers and the business. Some are likely to already collaborate to some extent with other service providers whilst others may already be a shared service in all but name. Acknowledging these differences is a crucial step when investigating the development and implementation of the shared services model. Instead, spotting the similarities between services desks and the common challenges they face will give insight into how the shared services model is developing in the industry.

Whilst many organisations have adopted the shared services model, little is known about the role the service desk plays in the planning and implementation of these services. This report aims to reveal the challenges and benefits service desks associate with shared services. Alongside this, the report will identify who tends to be the decision maker behind adopting the shared services model and the reasons behind the decision.

This report will also serve as a good thermometer to take the temperature of the service desk community and how they are approaching initiatives such as shared service management.

One Organisation, Multiple Desks

Whilst acknowledging that all service desks and their businesses are unique and have different relationships, the most likely candidate to adopt a shared services model tends to be an organisation with multiple desks offering the business support services. These services often come in the form of Human Resources, Finance, Facilities Management and Information Technology.

So, to investigate the shared service management proposition with any accuracy, the focus needs to begin on the number of organisations that host multiple desks as these are the most likely to adopt the model.

Do you have more than one desk within your organisation (i.e. facilities or human resources)?
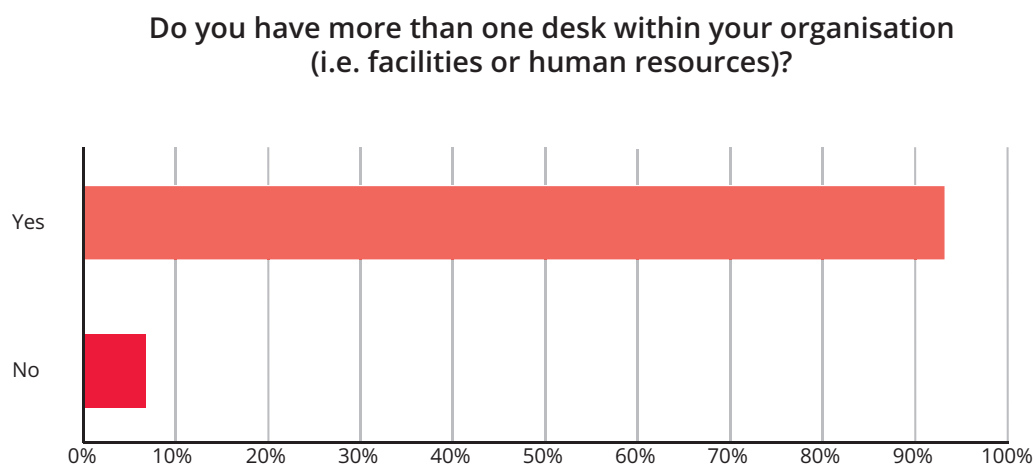
Such a high proportion of separate desks providing services to the business is not surprising as, historically, departments in businesses retained a significant amount of independence in terms of budgetary and resource management.

However, it would be reasonable to argue that such a high proportion of potential shared service management candidates could considerably change the industry landscape as the model develops and adoption increases. The potential benefits of adopting shared services are highly anticipated and the prospect of improving customer service whilst reducing costs presents an enticing prospect for many multi-desk operations.

If the data presented here was tentatively scaled across the industry, it reveals that a significantly large number of businesses could be potential adopters of shared management services. Whilst the impact on the industry could be huge, it could become less pronounced if services are already collaborating to some extent.

If yes do they use the same tool?
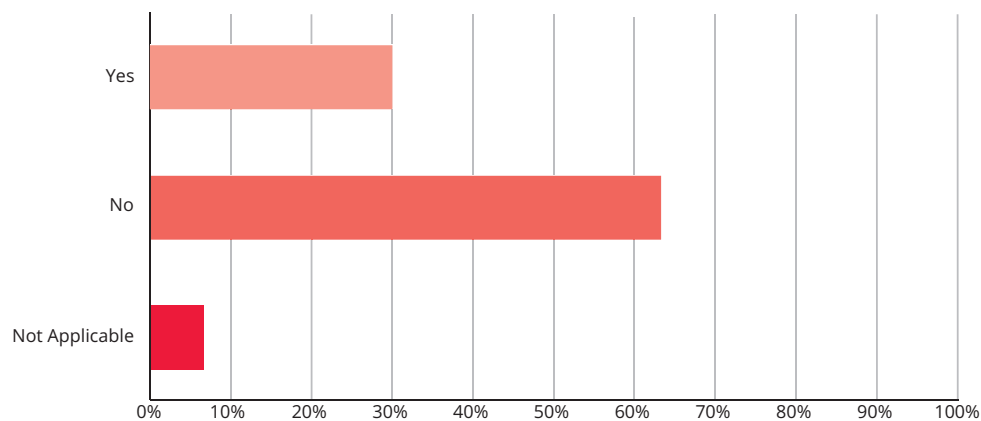
A crucial insight when investigating the prospect of multi-desk organisations adopting a shared services model is to analyse the extent to which they are already collaborating and sharing tools. Surprisingly, 30% of respondents have revealed they share a service management tool with another desk in the organisation. To analyse this result further, it gives a good indication of the high level of collaboration that already exists between some service desks and other departments.

However, with over 60% revealing they do not share a service management tool, the prospect of a broader collaboration between desks across the industry is cut short. It is important to acknowledge the sharing of a service management tool can be a complex and difficult process, which may be the cause of the low level of collaboration. It is entirely possible that desks are collaborating in other areas to a great extent whilst keeping service management tools independent.

It would be reasonable to suggest the benefits of sharing a tool independently from other areas of collaboration, such as cost savings through centralised procurement, may be the driving force behind this collaboration as opposed to a broader initiative to share resources. The decision to implement a shared tool to realise these benefits may have been in response to a collaborative approach to inter-departmental streamlining, although it is equally possible the platform of a shared tool can present the foundation for wider collaboration amongst services.

What stage are you currently collaboating on Service Management with other departments?
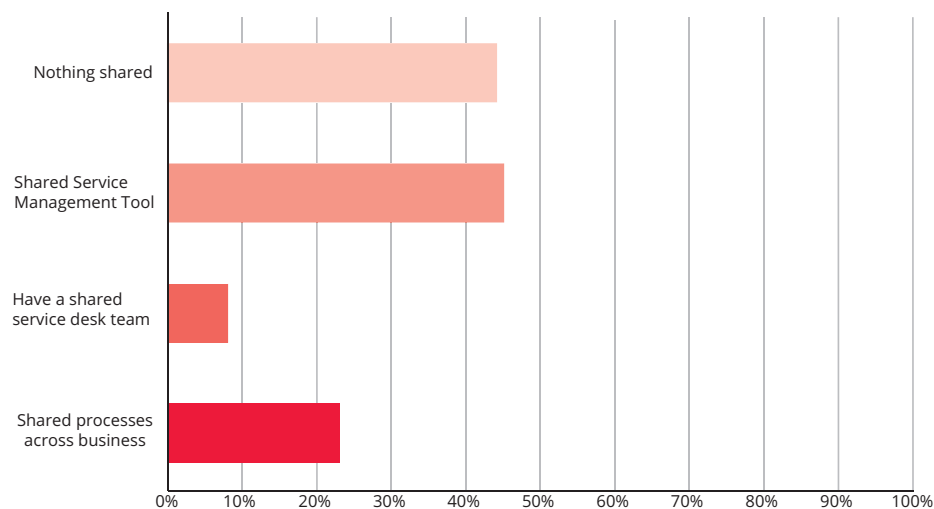
The basis of this question centred on investigating the different stages of collaboration currently implemented in the service desk industry. The nothing shared category forms the base line from which the different stages can be evaluated. The different collaboration levels are not mutually exclusive of each other with many participants selecting more than one of the collaboration levels. It would be reasonable to gauge the maturity of the collaborative levels on the basis that a shared service management tool indicates a significant level of collaboration, with shared processes and shared teams being higher and highest respectively. This structure acts as a guide, indeed some service desks indicated they had a shared team and nothing else, whilst others collaborate through shared tools and processes.

This graph reveals the surprising level of collaboration between desks with only 44% of respondents indicating they share nothing with other services and departments. This leaves 56% of respondents participating in one or more stages of collaboration.

A large proportion of respondents have revealed they are currently sharing service management tools with many also sharing teams and processes. Indeed, the proportion of service desks indicating they share service management tools is 2% greater than those indicating they share nothing at all. In addition, many of the respondents who have a shared service management tool have also advised of shared processes to support the usage and maintenance of the system.

Although a comparatively low volume of respondents advise they share a service desk team with other desks, it is nevertheless surprising to see 9% of respondents collaborating with other desks to such a high extent. This high level of collaboration is encouraging given the advanced nature of sharing teams and gives a positive indication of how invested these service desks are in collaboration.

Some of the respondents have reported they share processes with other desks while the teams and service management tool remain independent. The sharing of processes between support services is a significant level of collaboration, with the aligning of processes being an important preliminary step to forming a shared service.

Why Form Shared Services?

An important question to consider when investigating adoption levels of the shared service model is the motive behind the formation. Although broader benefits such as streamlining, cost-saving and service improvement are all propagated as key reasons, all service desks are unique and are likely to have different objectives and agendas.

What percentage of your calls are meant for another desk (e.g. human resources, facilities)?
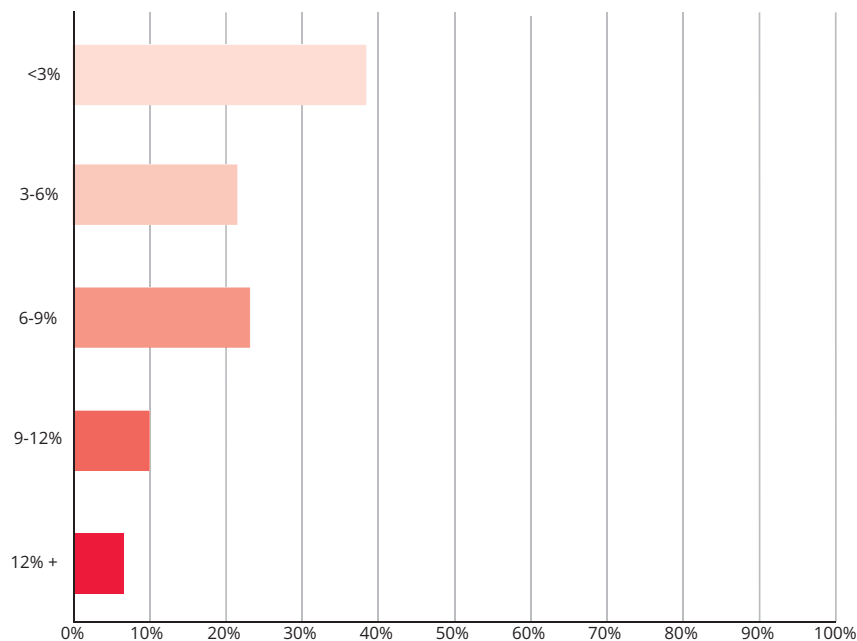
A potential option to gauge the benefits that could come from a shared service management model is to measure the amount of calls that go through to the service desk that are intended for another desk.

This graph reveals 38% of service desks take calls intended for other desks constituting less than 3% of their total calls. Whilst this is an encouraging result, it leaves 62% of service desks receiving misplaced calls in excess of 3%.

Arguably, the disruption to service desk activities that can manifest from incorrect calls exceeding 3% can be significant, let alone the 10% of service desks that identify up to 12% of their calls need to be redirected to another desk.

The business impact can be significant if such a large number of calls end up being redirected to other desks. Calls to the service desk will be unnecessarily high, requiring more staff and resources for no real benefit to the business. In addition, it is not unreasonable to suggest redirecting customers to another desk can have a detrimental impact on the overall customer experience due to no fault of the service desk.

This detrimental effect can happen on a small scale, as most customers do not like to be passed around whether or not they made the mistake of calling the wrong number. However, it can have a greater impact on the wider customer experience the service desk is able to deliver by compounding the effects.

 If we take the middle ground of 6% of calls needing to be redirected to other desks and, for quick calculation, take a small service desk taking 100 calls a day, this results in 6 unnecessary calls to the desk every day. If the desk is open Monday to Friday all year, roughly 252 business days, this can add up to 1500 misplaced calls or 15 full working days. Of course, larger service desks that can take thousands of calls a day will have a much greater cumulative effect and, more pressingly, the 7% of service desks that receive over 12% of misplaced calls.

This unnecessarily large body of work can take up precious resources and time and in the process result in extended waiting times, slower resolution rates and overworked analysts.

It would be reasonable to surmise that a shared service management model would significantly reduce this effect as it removes the potential for customers to contact the wrong desk. To consider the benefits this could bring to the operations of the service desk and the tangible benefits to the customer experience does not stretch the imagination to any great extent.

This evidence leads us to ask why so many calls go through to the service desk? It is possible the service desk presents the most helpful option to customers when they have a general query. If the service desk focuses on delivering a brilliant customer experience, it makes sense therefore, that customers would feel encouraged to call back and receive the same positive experience even if the issue is not IT related.

An interesting observation reveals that often customers are unsure of which department holds ownership over specific support areas. For example, some pieces of hardware which would be associated as an IT asset, may fall under the remit of facilities management.

Equally, it is possible the marketing of the service desk is not accurate or is too broad. As a result, customers are unsure of the place of the service desk and the types of queries they would deal with. An incorrectly marketed service desk may present the misleading image of a general call centre as opposed to an IT service desk. Getting the marketing right for a service desk is essential when addressing issues such as high volumes of incorrect calls, and is equally important when scaling the marketing up to cover the diversity of a shared service.

What would be the main reason to share your services?
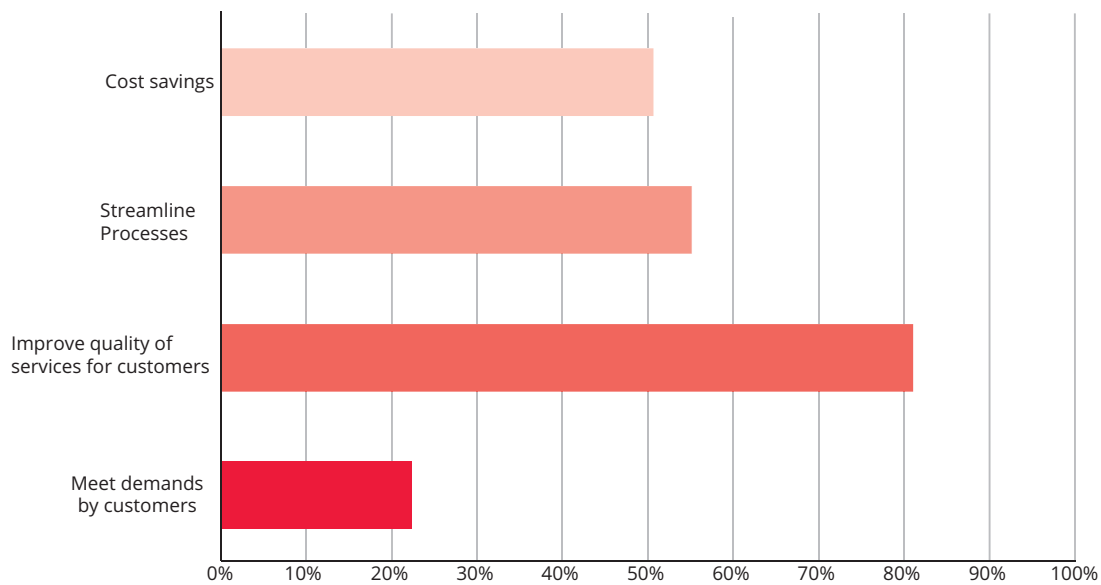
For over 80% of respondents, improving the quality of service is considered the main reason behind adopting a shared services model. Streamlining processes and cost savings are also high on the shared services agenda, each with over 50% of respondents selecting them. As key benefits of the shared services model, it is encouraging to see all three feature highly on a service desks agenda when considering or implementing a shared service.

It is important to note, meeting customer demands has a considerably lower uptake with fewer than 25% of respondents placing it on the list of potential benefits. It would be reasonable to suggest, given the strategic level at which decisions on shared service management are likely to be made; meeting customer demands may feature little in the short term planning and instead will be targeted in the long term.

How difficult would it be to merge desks within your company?
Based on a scale of one to ten (ten being most difficult)
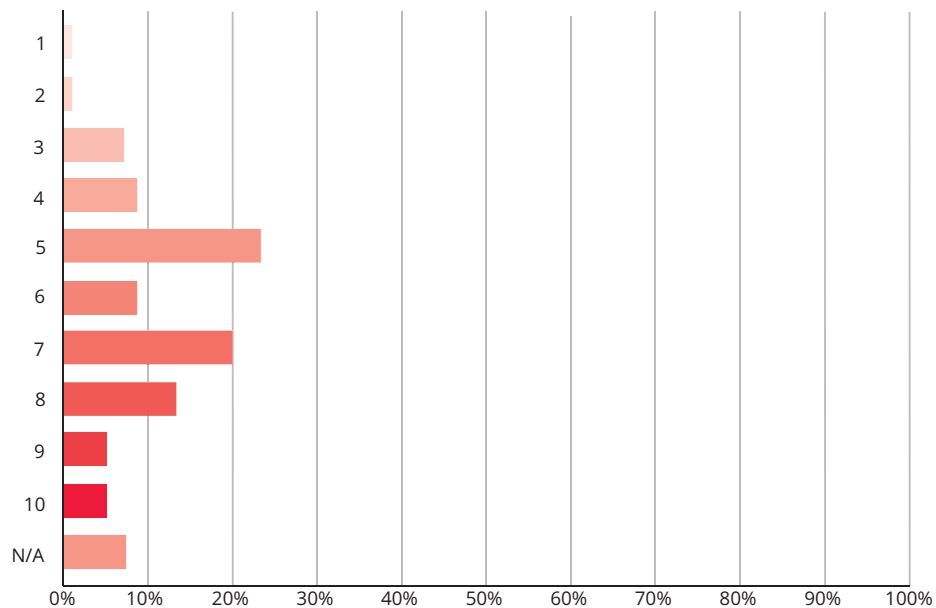
Given the diverse nature of the service management industry, it is not surprising to see an equally broad range of estimated difficulty. The relationship between a service desk and both its customers and business is entirely unique and therefore presents an interesting challenge when benchmarking something as conceptual as difficulty.

Interestingly, the majority of respondents have steered towards the options that represent a higher difficulty when investigating shared service management options. Whilst the majority of respondents have kept a relatively neutral stance, selecting 5, there are still a considerable amount of respondents who have opted for 7 and 8 representing a higher difficulty.

It is interesting to note that budgetary reasons and not being on the same site have not been identified by any of the respondents as being a considered obstacle. Alongside this, tooling features are also not recognised as posing a significant challenge by the vast majority of respondents.

What are perceived as the biggest obstacles to shared service management (merging desks)?
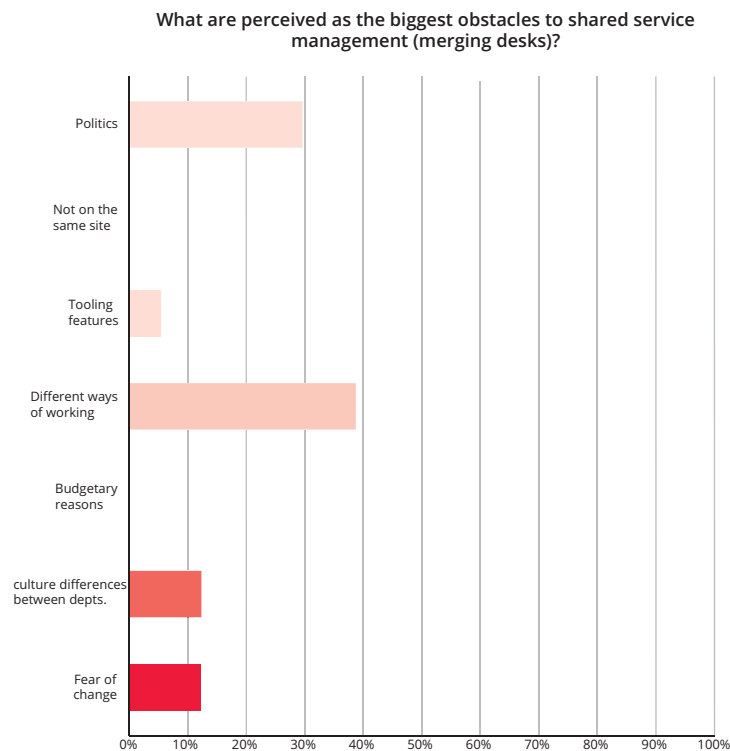

Conversely, different ways of working and politics have been identified as key obstacles to shared service management. Receiving 39% and 30% respectively, respondents have identified concerns with the culture of the organisation as the largest obstacle. To support this, culture differences has been identified by 13% of respondents as a key challenge, with another 13% highlighting 'fear of change'.

Arguably, the most significant result manifests in that no respondents recognise budgetary reasons as a serious stumbling block for implementing a shared services model. A considerable inference could be drawn in the speculation that shared services management is a fiscally viable option, however the showstoppers for any project manifest in the cultural, organisation and political differences of business units.

Arguably, the most surprising result in this survey is the revelation that a large body of organisations are already moving into a shared service model. 55% of respondents have revealed they are at various stages of merging services from other desks, including 11% who have advised they have already formed a shared service.

Is it on the agenda to merge services from other desks?
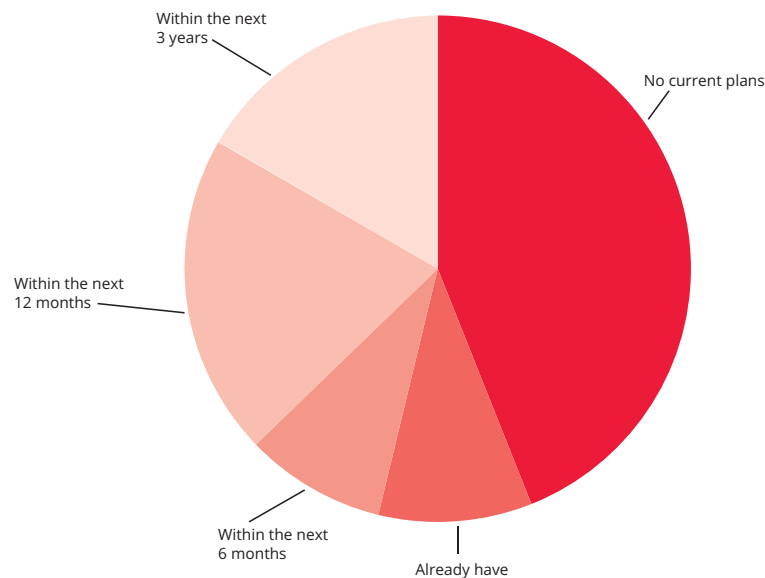
Whilst 45% of respondents have advised they do not have any plans to merge services currently, it is reasonable to argue, given the extent to which this model has been adopted, that the shared services model has become a serious development in the industry.

Some inferences can be drawn when the various planning stages are analysed further. With 44% of service desks advising they have plans to merge services from other desks within the next three years, there is a clear trend that the adoption of the model is becoming widely implemented across the industry.

Furthermore, when breaking down the various stages of planning there is a noticeable acceleration in the adoption of the model. With 11% having merged services and 10% merging in the next six months signifying an initially high uptake, this swiftly jumps to 17% of respondents advising they have plans within the next twelve months and an additional 17% within three years. This remarkable jump gives a strong impression of not only a significant change to the industry landscape, but of one that is accelerating swiftly.

The Role of The Service Desk

The role of the service desk in a shared service model is likely to be unique given the relationship and structure of the business, their partner services alongside the overall size of the organisation. It is, however, important to evaluate the strength of the service desk and how it operates currently in the industry.

Establishing the position of the service desk in relation to partner services is a crucial way of taking the temperature of the industry. Focusing on the partner that is likely to manage the procurement, decision making and leadership of the project is essential when forecasting the position the service desk is likely to take in a future shared service.

Do you have influence on other tools that are purchased (i.e. FM, HR, Finance)?

Yes

No
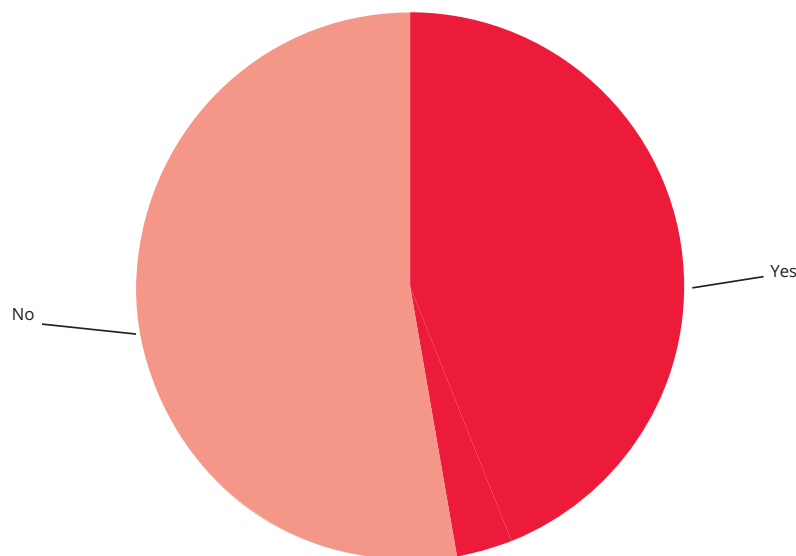
Respondents are close to being evenly split when approaching this question with 53% responding no and 47% responding yes. It is interesting to note that, although under half of the participants responded yes, this still shows a high involvement level for service desks in the procurement process.

For service desks, this could mean they will be placed in an advisory role, should they adopt the shared services model, when approaching the procurement of tools and resources. Conversely, it could mean the organisation and business dictates the selection of tools with service desks acting as facilitators for these requests. The level to which a service desk can influence which tools are purchased will, of course, vary depending on the relationship they have with their business and partner desks.

Who within your organisation is, or is likely to be, the main decision maker of the SSM project?
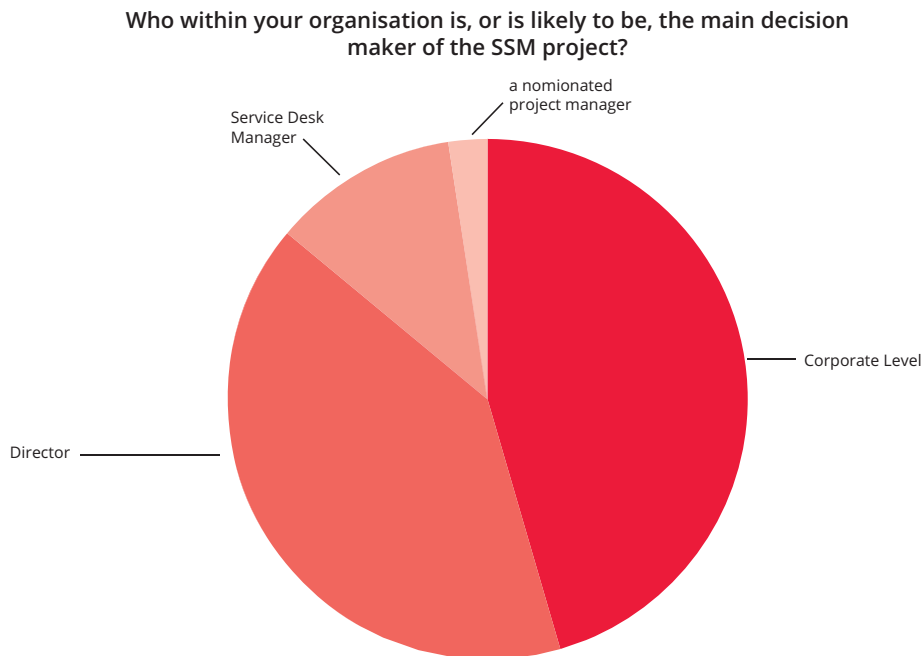
Significantly, 47% of respondents identified that key decisions are being made at a corporate level. This is somewhat unsurprising as a shared service management project is a significant change project and can have an impact on all areas of the business. This higher-level strategic intervention is inevitable when for such a large and high impact project.

36% of respondents have revealed the key decision-making would be managed by a director, which is also in keeping with a higher level of strategic management. Interestingly, 3% of respondents advised a project manager would be nominated to manage the process and become the key decision maker.

Although only 14% identified the service desk manager as the key decision maker, it is still a significantly large proportion given the responsibility associated with such an important change management project. The role of the service desk manager is crucial when anticipating the role of the service desk within a shared service, marking this result as an encouraging sign of the value associated with the service desk.

When including the revelation that a high proportion of tool purchases are influenced by the service desk, it is reasonable to suggest the service desk and service desk management have a significant role to play for many organisations when adopting a shared services model.

Conclusion

To form a meaningful conclusion, it is important to ensure key questions have been appropriately answered. Primarily, the most important question is to what extent service desks have adopted the shared service model. From the evidence collected in this report it is reasonable to summarise that a high proportion, over 50%, of service desks are at various stages of merging services from other desks, making the prospect of shared service management as an adopted industry model all the more plausible.

Alongside this, the recognition of how service management teams are already collaborating with other departments can yield a significant insight into the difficulty service desks are likely to face should they adopt a shared services model. It is reasonable to assume that a service desk, which already has a high level of collaboration with other departments, may find the journey a much simpler one.

In addition, the challenges and hurdles service desks face when implementing a shared services model have been established. Nominally, the greatest obstacles manifest in the cultural and political differences amongst the service desk partners, alongside the different ways these partners work. Fears of change also factor highly as a potential obstacle to overcome.

Respondents recognised that streamlining processes and improving the quality of services were the greatest benefits of a shared service model. Although less popular amongst respondents, reducing costs and meeting customer demands are still recognised by a considerable volume of participants.

The influence a service desk has on the formation of a shared service is a much harder area to gauge. The evidence suggests a large number of service desks have influence on the procurement of tools, empowering the service desk to take on an advisory role as plans for shared service management develop. In addition, a small proportion of respondents recognised the service desk manager as the key decision maker for the implementation of the shared service model, emphasising the value associated with the service desk as a key stakeholder. It is important, however, to recognise that the majority of respondents believe key decisions will be made at a director and corporate level.

The considerable uptake of the shared service model has proved surprising, with 44% of service desks planning to share services in the next three years alongside 11% who have already formed a shared service. It would be reasonable, when considering this evidence, to argue the shared service model has, and will continue to make, a significant impact on the industry landscape.

What Does This Mean For The Service Desk?

Figuring out where the service desk is placed within a shared service management model is a complex and business specific task. It is encouraging to see the service desk is placing itself as a key stakeholder in many of the shared service models represented in this report. Due to the involvement of the service management team and the position the service desk is placed in as an advisor to the business on the procurement of tools, there is a clear indication the service desk is likely to be a key stakeholder in the implementation and management of a shared service.

This report also highlights the large proportion of calls that go through to a service desk which are meant for another service. It is likely a large portion of these calls go through to the service desk as customers recognise the high level of service and care they receive when calling IT support. It is equally possible this high volume of calls is due to the confusion associated with the ownership of the services within the organisation. Often there are a range of diverse communication channels and portals to request services with no clear delineation for the correct desk to contact.

It is reasonable to infer that many service desks have a high level of recognition as a service provider and provide many of the skills and services required for shared service. The emphasis on soft skills alongside technical ability have made service desk analysts a versatile and valuable resource to any shared service, regardless of the strategic decision making and implementation of the model.

The IT support services consumed by the business are unlikely to diminish in the face of a shared services model, in fact, as the business becomes more agile and relies ever more on new technologies, the importance of the service desk is likely to become easier to recognise. From this point, then, the service desk will find itself in the position of an enabler for business transformation and a key business partner. As a key stakeholder for a shared services model, this position will become even more pronounced as the service desk supports both the business as a consumer, and symbiotically evolves within the shared service.

What Does This Mean For The Business?

The benefits to the business of a shared service management model have been highlighted throughout this report. A reduction in costs whilst improving customer service quality alongside streamlining processes are the benefits that the business is likely to articulate when it first considers implementing the model. The strategic management decisions that are key to the formation of a shared service have been highlighted as most service desks recognise the corporate and director level as the owner of the project. This is by no means a surprise, given the potential impact a shared services model can have on both the budget and the business; however it does reveal the high level of investment the business is likely to have when implementing the service.

With this in mind, this report reveals that the business will need to focus resources on addressing cultural and political differences between the departments to ensure steps such as merging desks are as pain free as possible. It is reasonable to recognise morale as a potential victim if these differences are not recognised and mitigated at an early stage. Different ways of working and addressing knowledge management issues are additional areas that will require attention. For a shared services model to be effective all of the services housed within it need to recognise the value in the shared processes, procedures and mission, without this the services are likely to continue working as separate departments under one name.

Significantly, culture seems to play a more important part than previously anticipated. Respondents have identified logistical issues such as sharing a building as having little to no impact on the formation of a shared service whilst many continued to identify cultural issues as having a significant impact. With this in mind, it is fair to say a shared service can be housed over multiple sites, however as long as the mission, values and cultures are shared, the prospect of merging desks is much more feasible.

This is further highlighted by the extent service desks are already collaborating with their business partners. The revelation that a large proportion of service desks are already sharing processes and service management tools is surprising; the bigger surprise came when some service desks revealed they already shared a service desk with some departments. Identifying the areas in which collaboration already exists can become a driving force for the implementation and management of the shared service. Other areas of collaboration are likely to be found in shared organisational policies and central budgets for resources such as training and development. These can provide a foundation for future evolution and development.

The efficiencies a business can recognise from the formation of an internal shared service can be identified by the data in this report. Using the example of calls going through to the service desk that are intended for elsewhere, a recognisable efficiency can be seen on the service desk side. However, on a more conceptual basis, the time saved by customers who now only have one point of contact can be even greater. Although the savings to the business will be hard to calculate, it would be reasonable to argue that both the customers and their managers would welcome the prospect of fast and easy access to the services they need rather than multiple redirections before they finally reach their intended destination.

Of course, the time saved and the reduction in resource consumption associated with the shared service model can immediately lead to significant savings. When calls are closed faster and more efficiently the quality of service increases whilst the cost per call is reduced.

From a strategic level, then, the business can work to significantly reduce the difficulty of merging service desks by working to address cultural differences and recognising where a foundation of collaboration already exists. By no means an easy task, it is however crucial to ensure the shared service provides sustainable benefits to the organisation and consistent, quality service to its customers.

About SDI

The SDI company mission is to inspire service desks to be brilliant. To achieve this mission SDI has developed a set of goals by which it aims to inspire service desks to:

Embrace: To raise the quality of service delivery by valuing best practice

Engage: To create an inspiring and engaging customer experience

Invest: To empower their teams to be inspired, take action and be better

Shine: To demonstrate and deliver exceptional business value

SDI sets the globally recognised best practice service desk standards that provide clear and measurable benchmarks for service desk operations and professionals. The standards are designed to encourage service desks to embrace and value best practice in order to raise the quality of service delivery.

For more information about SDI please visit www.servicedeskinstitute.com

About TOPdesk

Since 2003, TOPdesk has prioritised the Shared Service Management approach as part of their vision to break down silos between departmental services. First envisioned by co-founders Wolter Smit and Frank Droogsma, it has led to a solid foundation in every element of the tool.

Collaboration within companies should be intrinsic at every level, but at the same time must possess scalability. It is important to simplify not only the processes within an organisation, but also the customer's continuous experience from each request. Although it can be a difficult task, it is clear that service desks – being such an integral part of a company - lead the way in its facilitation.

TOPdesk
61 Southwark Street
London
SE1 4NZ

📞 +44 (0) 2078 034200
✉ info@topdesk.co.uk
🐦 @TOPdesk_UK
🖥 topdesk.co.uk

Contact SDI

Service Desk Institute
21 Hight Street
Green Street Green
Orpington
Kent
BR6 6BG

📞 +44 (0)1689 889100
✉ hello@sdi-e.com
🐦 @sdi_institute
🖥 servicedeskinstitute.com

Service Desk Institute

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