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Volume 7, Issue 1

February 20, 2007



### Why Can't You Tell Me What to Measure? A Personal Interview with John Custy By Cinda Daly

If you think about it, it's rather intuitive that one-size doesn't fit all when it comes to measuring performance. Research studies promote performance benchmarks and industry bodies tout their "standards." Practitioners search for the magic numbers. And, consultants often say, "I can't prescribe what you should measure nor tell you what constitutes service quality." John Custy, a straight talking, no-nonsense insider has been guiding the industry for more than twenty years. He talks about the big question: Why can't you tell just any support center what to measure?

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**Daly. So, set the record straight. How do you decide what "size" fits?**

**Custy.** We know that a number of operational metrics are important to measure from an organizational perspective in terms of running the support business. These metrics are touted in every airline magazine and trade publication. What gets missed, most times, is the fact that each organization has different customer requirements and financial constraints that impact the performance an organization can actually deliver or can afford.

**Daly. What you're suggesting is that support centers need to demonstrate value to the business and report those unique metrics. This brings us back to the notion that you can't prescribe what to measure.**

**Custy.** What we need to remember is that the support center is there to assist the organization in meeting its objectives, and what is important in one environment may not be important in another. If the support center is just getting established, it has a different set of objectives, managed with a different set of metrics from the long-established, mature service organization. If the support center serves external customers and is also responsible for selling maintenance contracts, the objectives and metrics are different. Large, global centers have entirely different service challenges than a localized center that can easily dispatch field technicians to the deskside.

***Daly. Those examples are the intuitive differences. Can you guide managers to determine which metrics suit those environments—or not?***

**Custy.** We can talk about common operational metrics: response time, resolution time, customer satisfaction. These are all appropriate metrics. However, what the support center faces with regard to the customer is that it has only one view, the support center view. When you talk about business alignment, the metrics we're talking about reporting to management are much bigger than the support center—total IT metrics, not just application metrics, not just network metrics. And remember, what the customers really care about is that the IT service is available when they need it to conduct their business.

Support managers need to understand what the key performance indicators are as they relate to the specific objectives of the business and not to confuse them with IT or support metrics. Unfortunately most organizations are even more confused when they see that ITIL<sup>®</sup> identifies 'KPIs' for each service management process.

***Daly. How do you distinguish between metrics and KPIs?***

**Custy.** While they are all metrics, we need to distinguish between operational metrics, which measure activities that are performed in the course of doing business—talk time, time at level one, time at level two, first call resolution, time to recover, time to restore etc., versus KPIs that measure progress toward reaching goals. The KPIs that ITIL identifies should be viewed as roots or suggestions of what could be measured, not what must be measured. Each organization needs to align the measurements with their specific goals, not a set of generic objectives. If you use generic measurements, you will probably get average results. Specific, appropriate measurement will yield the desired results.

***Daly. You're not talking about the business of operating support, but, rather, about understanding the business of the company.***

**Custy.** Precisely. Organizations, whether running in a reactive, proactive, customer-centric or business-centric mode, all need to focus on specific metrics that are appropriate for their objectives and maturity level.

***Daly. How do they get that KPI data if they are trying to advance their maturity level?***

**Custy.** There are a variety of methodologies to help managers understand what measurements are appropriate and which metrics could actually be good KPIs. One key factor is that a KPI should be a result, not an activity measurement. Unfortunately, it takes time and review to identify what is the right KPI for an organization, and over time these KPIs will change. What they think is a good KPI may not be; so managers need to analyze how the measurements they do have can help them trend performance to their goals.

For most organizations this becomes an iterative process. At HDI 2007, I

am presenting the Goal-Question-Metric (GQM) methodology in my session, "Understanding What Needs to Be Measured." It is a four-step process that will help our readers identify the goals, identify measurements to chart their progress, determine which data to collect, and analyze the results in relationship to the goals.

***Daly. The data that support centers need to collect and understand are greatly influenced by the tools they have available to handle these customer interactions.***

**Custy.** Unfortunately, the tools may actually limit what they are able to report on. Consequently, they should start by identifying their goals, then identify the performance indicators they think they can measure and that are appropriate. Most of the metrics should be in the service management system. However, too often the tools available are very call-centric rather than service-centric. What aligns support to business objectives is how well the service is supported, how long it takes to restore the service, not how fast they answer the phone. Many organizations either do not measure at the service level or have not invested in the appropriate technology to capture the data that would allow them to report what truly would be a KPI. As a result, they don't measure what the customer really cares about. The customer only cares about the quality of service.

This all ties back to service level management. One of the challenges of service level management in the support center is that the frontline is far too focused—by management direction because of what they measure—on how quickly they answer the phone or respond to the e-mail.

***Daly. Time to resolution is a legitimate metric to understand.***

**Custy.** From an operational management perspective, yes. It's that transaction-oriented approach to support—it's about the moment something breaks, and the moment it is fixed. The service management system needs to provide them the data they need to understand this dimension.

But, just resolving the incident within the SLA is not what the customer really cares about. If you take a typical SLA with an incident priority level set for three, the agent has two days to resolve the problem. If we look at the actual workflow, we typically find a pattern where the problems are either solved immediately or on day one and a half. Not much is done early in the process because the IT organization can declare success if it meets the stated goal. There's no incentive to do it faster. And, when someone calls the customer two days after reporting an issue and gives them the thirty second response on how to resolve the issue, the customer wants to know why it took so long for a 'simple' response that they should have received on the initial contact.

***Daly. Fair enough. What does the customer care about?***

**Custy.** The customer cares about service availability. From the customer perspective, in my example above, the customer couldn't

complete a business task for two days. What the customer wants is for the interruption to be removed ASAP regardless of the timeframe the SLA states IT has to fix it.

***Daly. What are the dynamics of measuring performance from the customer's perspective?***

**Custy.** I advocate that the service level metric should be established around user availability. For example, assume that the service level is to provide 10,000 hours of user availability, with a realistic target goal of 9,900 hours. For every minute that the service is not available, they count downtime and report it against the organization's performance goals.

If every minute of every hour that an incident is open were counted against the availability of service set in the SLA, the workflow and task prioritization within the IT organization would be very different. This approach would completely change the behavior of not only frontline analysts, but change the way management views service because people would be focusing on service availability, not break/fix within the SLA. Resolution times would significantly decrease, and service availability would increase. That's what customers care about.

***Daly. If tools only help track the transactional nature of support problems, how can support organizations capture the information they need to refocus on availability?***

**Custy.** The service availability approach to measuring performance does assume that the support center has a classification scheme based on services, not on systems or applications. The problem with application-based schemes is that any underlying infrastructure issues don't get related back to the availability of the service. The classification should be simple, not complex, which is why most organizations don't get what they need out of the classification scheme. Of course, the better the configuration management database, service catalog, etc., the easier to report on this metric.

***Daly. What should replace the application-based classification scheme?***

**Custy.** The first objective is to get classification out of the hands of the engineering team. In most organizations, classifications are built at such a level of granularity that they typically can't do anything with the data, as there aren't enough occurrences of anything, other than the 'other' category to analyze. Organizations try to build too many things into one classification code—the service, the application, the incident, the type of inquiry, business criticality, etc. I'm not suggesting that they don't need those data points. But, I am suggesting that they need to consider how they collect the data so that it is usable.

***Daly. What should the primary classification structure be focused upon?***

**Custy.** There aren't a large number of things they need to worry about:

incidents that affect a small number of users; incidents that affect a large number of users, or outages. By simplifying the classification scheme, incidents and service requests could be categorized directly with the initial contact, and agents could set better expectations with the customers. They would also get better data—correct and more consistent—allowing them to really understand the areas where they need to allocate resources to improve the quality of service.

Broadly speaking, classifications should be crafted from the customer view first—service related—and the IT view second, root cause related. They need to have both types of classifications at work in the tracking tool. Classifications should be based on the services they are offering so they can truly measure the impact of problems on the business. Begin with the view of the customer. Then, review it when closing the incident to verify that the initial classification is still correct after the service is restored and you understand what happened. That is an ITIL best practice.

***Daly. In the broad sense, what does ITIL say about classifications, prioritization, and resource allocation?***

**Custy.** ITIL talks about triage, like in an emergency room. Imagine three patients—someone coughing, someone bleeding, someone having a heart attack. They need to know what to prioritize first and allocate resources accordingly, bringing only as much resource to bear as is necessary. IT and support organizations need to take that same conceptual model and apply it in a way that makes sense to the business. We talk about triage in the classification and initial support step of the incident lifecycle, but not many organizations really train the staff on what this means.

The bottom line is that an improved classification structure would allow both incident and problem managers to better analyze the impact of incidents and problems on the organization, which would allow them to prioritize better. In turn, that practice would result in more and better changes that eliminate interruptions from the infrastructure, improving service availability. That's one of the components of service management.

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John is a certified ITIL Service Manager and Practitioner, ISO/IEC 20000 consultant, and expert in HDI best practice standards, service management, and IT frameworks. He challenges the status quo and will instigate thoughtful action in his [HDI 2007](#) session "[Understanding What Needs to Be Measured.](#)" He also brings his insight to "[Metrics 101,](#)" not just for new support managers, and to the pre-conference workshop, "[Support Center Manager.](#)"

The Daly Interview™ is a publication of Focus Events, Inc. This interview was written exclusively for ThinkService, Inc. by HDI 2007 Program Chair, Cinda Daly, [CindaDaly@windstream.net](mailto:CindaDaly@windstream.net).



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