



# Enterprise Service Management KPIs Definitions & Correlations



Learn how each of the ESM metrics that we benchmark is defined, why it's important, and how it correlates with other metrics. We include metrics from the following eight categories:

- Inbound Channel Mix
- > Cost
- Handle Time
- Voice Quality
- > Voice Productivity
- Voice SLA
- Analyst
- Chat

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## **Inbound Channel Mix Metrics**

#### Voice % of Total

**Definition:** Voice % of Total is the percentage of total inbound contacts (including self-help contacts) that originate in the voice channel.

 $Voice \% of Total = \frac{Inbound \ voice \ contact \ volume}{Total \ inbound \ contact \ volume \ (all \ channels)}$ 

Why it's important: Voice % of Total is important because the Average Cost per Voice Contact is usually higher than the average cost per chat, web ticket, email, or self-help contact. By reducing the number of contacts originating in the voice channel, the overall average Cost per Contact can be reduced. Many Enterprise Service Desks, recognizing the potential to reduce their costs, constantly strive to reduce their Voice % of Total by deflecting calls into lower-cost channels.

**Key correlations:** Voice % of Total is strongly correlated with the following metrics:

- Average Cost per Analyst-Assisted Contact
- Average Cost per Contact (including Self-Help)



#### Chat % of Total

**Definition:** Chat % of Total is the percentage of total inbound contacts (including self-help contacts) that originate in the chat channel.

$$\textit{Chat}~\%~\textit{of}~\textit{Total} = \frac{\textit{Inbound chat volume}}{\textit{Total inbound contact volume (all channels)}}$$

Why it's important: Chat % of Total is important because the Cost per Contact for chat-completed contacts is significantly lower than for voice-completed contacts. By increasing the number of contacts originating in the chat channel, the overall average Cost per Contact can be reduced. Many Enterprise Service Desks, recognizing the potential to reduce their costs, constantly strive to increase their Chat % of Total.

**Key correlations:** Chat % of Total is strongly correlated with the following metrics:

- Average Cost per Analyst-Assisted Contact
- Average Cost per Contact (including Self-Help)



#### Web Ticket/Email % of Total

**Definition:** Web Ticket/Email % of Total is the percentage of total inbound contacts (including self-help contacts) that originate in the web-ticket/email channel.

 $Web\ Ticket/Email\ \%\ of\ Total = \frac{Inbound\ web\ ticket\ and\ email\ volume}{Total\ inbound\ contact\ volume\ (all\ channels)}$ 

Why it's important: Web Ticket/Email % of Total is important because web tickets and emails do not require an immediate response. By increasing the number of contacts originating in the web ticket/email channel, an Enterprise Service Desk can dampen spikes in the voice and chat channels, and can respond to many of the web tickets and emails during slower periods. This leads to more productive analysts, lower overall costs, and improved service levels in the voice and chat channels.

**Key correlations:** Web Ticket/Email % of Total is strongly correlated with the following metrics:

- Average Cost per Analyst-Assisted Contact
- Average Cost per Contact (including Self-Help)



#### Walk-Up ("Genius Bar") % of Total

**Definition:** Walk-Up % of Total is the percentage of total inbound contacts (including self-help contacts) that originate by the user coming to the Enterprise Service Desk for support in a face-to-face setting (similar to the concept of the "Genius Bar" for customer support in Apple stores).

 $Walk-Up\ \%\ of\ Total = \frac{Inbound\ walk-up\ contact\ volume}{Total\ inbound\ contact\ volume\ (all\ channels)}$ 

Why it's important: Offering users a walk-up support option tends to significantly improve overall Customer Satisfaction for an Enterprise Service Desk, in addition to contributing to a positive perception toward all of IT. Walk-up contacts are often more costly than contacts in other channels, but if managed properly in locations with a high density of end users, a walk-up option can improve an Enterprise Service Desk's overall performance.

**Key correlations:** Walk-Up ("Genius Bar") % of Total is strongly correlated with the following metrics:

- Customer Satisfaction
- Net First Contact Resolution Rate



#### Self-Help % of Total

**Definition:** Self-Help % of Total is the percentage of inbound contacts that are resolved by the user without assistance from a live analyst. These could include contacts that are resolved within the IVR (such as automated password resets), and issues that are resolved by the user through a self-help portal. A user who opts out of the IVR or self-help session to connect with a live analyst does not count as part of the Self-Help % of Total because the user did not resolve the issue before contacting a live analyst.

 $Self-Help\ \%\ of\ Total = \frac{Volume\ of\ user-resolved\ contacts}{Total\ inbound\ contact\ volume\ (all\ channels)}$ 

Why it's important: The Cost per Contact for self-help contacts is significantly lower than it is for analyst-assisted contacts. By increasing the number of contacts resolved through self-help, the Cost per Contact can be reduced significantly. Many Enterprise Service Desks, recognizing the potential to reduce their costs, constantly strive to increase their Self-Help % of Total.

**Key correlations:** Self-Help % of Total is strongly correlated with the following metrics:

Average Cost per Contact (including Self-Help)



#### **Cost Metrics**

#### Average Cost per Voice Contact

**Definition:** Average Cost per Voice Contact is the total annual operating expense of the voice channel divided by the annual inbound voice-contact volume of the Enterprise Service Desk. Operating expense includes all voice-related employee salaries, overtime pay, benefits, and incentive compensation, plus contractor, facilities, telecom, desktop computing, software, training, travel, office supplies, and miscellaneous expenses.

 $Average\ Cost\ per\ Voice\ Contact = \frac{Annual\ operating\ expense\ for\ voice}{Annual\ inbound\ voice\ contact\ volume}$ 

Why it's important: Cost per Contact is one of the most important ESM metrics. It is a measure of how efficiently your Enterprise Service Desk is operating. A higher-than-average Cost per Voice Contact is not necessarily a bad thing, particularly if accompanied by higher-than-average quality and service levels. Conversely, a low Cost per Voice Contact is not necessarily good, particularly if the low cost is achieved by sacrificing quality or service levels. Every Enterprise Service Desk that offers voice support should track and trend Average Cost per Voice Contact on a monthly basis.

**Key correlations:** Average Cost per Voice Contact is strongly correlated with the following metrics:

- Average Cost per Voice Minute
- ✓ Voice Analyst Utilization
- Net First Contact Resolution Rate
- Inbound Voice Handle Time
- Average Speed of Answer



## Average Cost per Chat Session

**Definition:** Average Cost per Chat Session is the total annual operating expense of the chat channel divided by the annual number of chats handled by the Enterprise Service Desk. Operating expense includes all chat-related employee salaries, overtime pay, benefits, and incentive compensation, plus contractor, facilities, telecom, desktop computing, software, training, travel, office supplies, and miscellaneous expenses.

 $Average\ Cost\ per\ Chat\ Session = \frac{Annual\ operating\ expense\ for\ chat}{Annual\ chat\ volume}$ 

Why it's important: Cost per Contact is one of the most important ESM metrics. It is a measure of how efficiently your Enterprise Service Desk is operating. A higher-than-average Cost per Chat Session is not necessarily a bad thing, particularly if accompanied by higher-than-average quality and service levels. Conversely, a low Average Cost per Chat Session is not necessarily good, particularly if the low cost is achieved by sacrificing quality or service levels. Every Enterprise Service Desk that offers chat support should track and trend Average Cost per Chat Session on a monthly basis.

**Key correlations:** Average Cost per Chat Session is strongly correlated with the following metrics:

- Average Cost per Chat Minute
- Analyst Utilization
- Chat First Contact Resolution Rate
- Chat Handle Time
- Average Concurrent Chat Sessions
- Max Concurrent Chat Sessions



#### Average Cost per Web Ticket/Email Contact

**Definition:** Average Cost per Web Ticket/Email Contact is the total annual operating expense of the web-ticket/email channel divided by the annual number of web tickets and emails handled by the Enterprise Service Desk. Operating expense includes all web ticket/email-related employee salaries, overtime pay, benefits, and incentive compensation, plus contractor, facilities, telecom, desktop computing, software, training, travel, office supplies, and miscellaneous expenses.

 $Avg. \textit{Cost per Web/Email Contact} = \frac{Annual \textit{ operating expense for web/email}}{Annual \textit{ web/email volume}}$ 

Why it's important: Cost per Contact is one of the most important ESM metrics. It is a measure of how efficiently your Enterprise Service Desk is operating. A higher-than-average Cost per Web Ticket/Email Contact is not necessarily a bad thing, particularly if accompanied by higher-than-average quality and service levels. Conversely, a low Average Cost per Web Ticket/Email Contact is not necessarily good, particularly if the low cost is achieved by sacrificing quality or service levels. Every Enterprise Service Desk that offers web-ticket/email support should track and trend Average Cost per Web Ticket/Email Contact on a monthly basis.

**Key correlations:** Average Cost per Web Ticket/Email Contact is strongly correlated with the following metrics:

- Average Cost per Web Ticket/Email Minute
- Analyst Utilization
- ✓ Web Ticket/Email Handle Time
- Average Web Ticket/Email Resolution Rate



#### Average Cost per Analyst-Assisted Contact

**Definition:** Average Cost per Analyst-Assisted Contact is the total annual operating expense of all analyst-assisted contact channels, including voice, chat, and web-ticket/email, divided by the annual inbound analyst-assisted contact volume of the Enterprise Service Desk. Operating expense includes all employee salaries, overtime pay, benefits, and incentive compensation, plus all contractor, facilities, telecom, desktop computing, software, training, travel, office supplies, and miscellaneous expenses.

 $Avg. \textit{Cost per Analyst-Assisted Contact} = \frac{\textit{Total annual operating expense}}{\textit{Annual inbound analyst-assisted volume}}$ 

Why it's important: Average Cost per Analyst-Assisted Contact is a measure of how efficiently your ESM analysts are performing. A higher-than-average Cost per Analyst-Assisted Contact is not necessarily a bad thing, particularly if accompanied by higher-than-average quality and service levels. Conversely, a low Average Cost per Analyst-Assisted Contact is not necessarily good, particularly if the low cost is achieved by sacrificing quality or service levels. Every Enterprise Service Desk should track and trend Average Cost per Analyst-Assisted Contact on a monthly basis.

**Key correlations:** Average Cost per Analyst-Assisted Contact is strongly correlated with the following metrics:

- Analyst Utilization
- Net First Contact Resolution Rate
- Inbound Contact Handle Time
- Average Speed of Answer



#### Average Cost per Contact (including Self-Help)

**Definition:** Average Cost per Contact is the total annual operating expense of the Enterprise Service Desk, divided by the annual inbound contact volume of the Enterprise Service Desk, including self-help contacts. Operating expense includes all employee salaries, overtime pay, benefits, and incentive compensation, plus all contractor, facilities, telecom, desktop computing, software, training, travel, office supplies, and miscellaneous expenses. Annual inbound contact volume includes contacts from all sources: live voice, voicemail, email, web portal, chat, walk-in, IVR, etc.

 $Average\ Cost\ per\ Contact = \frac{Total\ annual\ operating\ expense}{Annual\ inbound\ contact\ volume\ (incl.\ self-help)}$ 

Why it's important: Cost per Contact is one of the most important ESM metrics. It is a measure of how efficiently your Enterprise Service Desk is operating. A higher-than-average Cost per Contact is not necessarily a bad thing, particularly if accompanied by higher-than-average quality and service levels. Conversely, a low Cost per Contact is not necessarily good, particularly if the low cost is achieved by sacrificing quality or service levels. Every Enterprise Service Desk should track and trend Cost per Contact on a monthly basis.

**Key correlations:** Average Cost per Contact is strongly correlated with the following metrics:

- Analyst Utilization
- Net First Contact Resolution Rate
- ✓ Inbound Contact Handle Time
- Self-Help % of Total
- Average Speed of Answer



#### Average Cost per Voice Minute

**Definition:** Average Cost per Voice Minute is simply the Average Cost per Voice Contact divided by the average Inbound Voice Handle Time.

 $Average\ Cost\ per\ Voice\ Minute = \frac{Average\ Cost\ per\ Voice\ Contact}{Inbound\ Voice\ Handle\ Time}$ 

Why it's important: Unlike Average Cost per Voice Contact, which does not take into account the average handle time or call complexity, Average Cost per Voice Minute measures the per-minute cost of providing customer support in the voice channel. It enables a more direct comparison of costs between Enterprise Service Desks because it is independent of the types of calls that come into the Enterprise Service Desk and the complexity of those calls.

**Key correlations:** Average Cost per Voice Minute is strongly correlated with the following metrics:

- Average Cost per Voice Contact
- Inbound Voice Handle Time
- ✓ Voice Analyst Utilization
- Net First Contact Resolution Rate
- Average Speed of Answer
- Outbound Voice Contacts as a % of Total Voice Contacts



## Average Cost per Chat Minute

**Definition**: Average Cost per Chat Minute is simply the Average Cost per Chat Session divided by the average Chat Handle Time.

 $Average\ Cost\ per\ Chat\ Minute = \frac{Average\ Cost\ per\ Chat\ Session}{Chat\ Handle\ Time}$ 

Why it's important: Unlike Average Cost per Chat Session, which does not take into account the average handle time or chat complexity, Average Cost per Chat Minute measures the per-minute cost of providing customer support in the chat channel. It enables a more direct comparison of costs between Enterprise Service Desks because it is independent of the types of chats that come into the Enterprise Service Desk and the complexity of those chats.

**Key correlations:** Average Cost per Chat Minute is strongly correlated with the following metrics:

- Average Cost per Chat Session
- Chat Handle Time
- Analyst Utilization
- Chat First Contact Resolution Rate
- Average Concurrent Chat Sessions
- Max Concurrent Chat Sessions



#### Average Cost per Web Ticket/Email Minute

**Definition**: Average Cost per Web Ticket/Email Minute is simply the Average Cost per Web Ticket/Email Contact divided by the average Web Ticket/Email Handle Time.

 $Avg. Cost\ per\ Web\ Ticket/Email\ Minute = rac{Avg.\ Cost\ per\ Web\ Ticket/Email\ Handle\ Time}{Web\ Ticket/Email\ Handle\ Time}$ 

Why it's important: Unlike Average Cost per Web Ticket/Email Contact, which does not take into account the average handle time or issue complexity, Average Cost per Web Ticket/Email Minute measures the per-minute cost of providing customer support in the web-ticket/email channel. It enables a more direct comparison of costs between Enterprise Service Desks because it is independent of the types of web tickets and emails that come into the Enterprise Service Desk and the complexity of those contacts.

**Key correlations:** Average Cost per Web Ticket/Email Minute is strongly correlated with the following metrics:

- Average Cost per Web Ticket/Email Contact
- ✓ Web Ticket/Email Handle Time
- Analyst Utilization
- Net First Contact Resolution Rate



## **Total Cost of Ownership Metric**

#### Net First Level Resolution Rate

**Definition**: Net First Level Resolution Rate is the number of incidents *actually* resolved at the Level 1 Enterprise Service Desk, divided by the number of incidents that *could* potentially be resolved at the Enterprise Service Desk. Any incident that is pushed out to another support level (Desktop Support, Level 2 IT support, vendor support, etc.) is, by definition, not resolved at Level 1. Incidents than *cannot* be resolved at Level 1, such as a hardware break/fix, do not count in the denominator of the Net First Level Resolution Rate.

 $Net \ First \ Level \ Resolution \ Rate = \frac{Number \ of \ incidents \ resolved \ at \ Svc. \ Desk}{Number \ of \ incidents \ Svc. \ Desk \ could \ resolve}$ 

Why it's important: Net First Level Resolution Rate is a measure of the Enterprise Service Desk's overall competency, and is a proxy for Total Cost of Ownership (TCO). A high First Level Resolution Rate helps to minimize TCO because each contact that is resolved at Level 1 avoids a higher cost of resolution at Level n (IT, Desktop Support, vendor support, etc.). Enterprise Service Desks can improve their Net First Level Resolution Rates through training and through investments in technologies such as remote diagnostic tools and knowledge-management systems.

**Key correlations:** Net First Level Resolution Rate is strongly correlated with the following metrics:

- Net First Contact Resolution Rate
- New Analyst Training Hours
- Annual Analyst Training Hours
- Cost per Contact
- Total Cost of Ownership



## Handle Time Metrics

#### Inbound Voice Handle Time

**Definition:** Inbound Voice Handle Time is the average time (in minutes) that an analyst spends on each call, including talk time, hold time, and after-call work time.

 $Inbound\ Voice\ Handle\ Time = \frac{Total\ minutes\ spent\ on\ inbound\ voice\ contacts}{Total\ inbound\ voice\ contacts}$ 

Why it's important: A contact is the basic unit of work in an Enterprise Service Desk. Inbound Voice Handle Time, therefore, represents the amount of labor required to complete one unit of inbound work in the voice channel.

**Key correlations:** Inbound Voice Handle Time is strongly correlated with the following metrics:

- Average Cost per Voice Contact
- Inbound Voice Contacts per Analyst per Month
- Net First Contact Resolution Rate



## Handle Time Metrics (continued)

#### Outbound Voice Handle Time

**Definition:** Outbound Voice Handle Time is the average time (in minutes) that an analyst spends on each outbound call, including talk time, hold time, and after-call work time. Outbound calls can include callbacks to customers who have left voice messages or sent emails, or callbacks to deliver information and solutions to customers who had previously called in.

 $Outbound\ Voice\ Handle\ Time = \frac{Total\ minutes\ spent\ on\ outbound\ voice\ contacts}{Total\ outbound\ voice\ contacts}$ 

Why it's important: A contact is the basic unit of work in an Enterprise Service Desk. Outbound Voice Handle Time, therefore, represents the amount of labor required to complete one unit of outbound work in the voice channel.

**Key correlations:** Outbound Voice Handle Time is strongly correlated with the following metrics:

- Average Cost per Voice Contact
- Outbound Voice Contacts per Analyst per Month



# Handle Time Metrics (continued)

#### Chat Handle Time

**Definition:** Chat Handle Time is the average time (in minutes) that an analyst spends on each chat, including chat time and after-chat work time.

 $Chat \ Handle \ Time = \frac{Total \ minutes \ spent \ on \ chat \ sessions}{Total \ number \ of \ chat \ sessions}$ 

Why it's important: A contact is the basic unit of work in an Enterprise Service Desk. Chat Handle Time, therefore, represents the amount of labor required to complete one unit of work in the chat channel.

**Key correlations:** Chat Handle Time is strongly correlated with the following metrics:

- Average Cost per Chat Session
- Number of Chat Sessions per Chat Analyst per Month
- Chat First Contact Resolution Rate



## Handle Time Metrics (continued)

## Web Ticket/Email Handle Time

**Definition:** Web Ticket/Email Handle Time is the average time that an analyst spends handling each web ticket or email contact.

 $Web\ Ticket/Email\ Handle\ Time = \frac{Total\ minutes\ spent\ on\ web\ tickets\ and\ emails}{Total\ number\ of\ web\ tickets\ and\ emails}$ 

Why it's important: A contact is the basic unit of work in an Enterprise Service Desk. Web Ticket/Email Handle Time, therefore, represents the amount of labor required to complete one unit of work in the web-ticket/email channel.

**Key correlations:** Web Ticket/Email Handle Time is strongly correlated with the following metrics:

Average Cost per Web Ticket/Email Contact



## **Voice Quality Metrics**

#### Voice Customer Satisfaction

**Definition:** Voice Customer Satisfaction is the percentage of customers who are either satisfied or very satisfied with their Enterprise Service Desk experience in the voice channel. This metric can be captured in a number of ways, including automatic after-call IVR surveys, follow-up outbound (live-analyst) calls, email surveys, etc.

 $Voice\ \textit{Customer Satisfaction} = \frac{\textit{Number of satisfied voice customers}}{\textit{Number of voice customers surveyed}}$ 

Why it's important: Voice Customer Satisfaction is the single most important measure of voice-channel quality. Any successful voice channel will have consistently high Voice Customer Satisfaction ratings. Some Enterprise Service Desk managers are under the impression that a low Average Cost per Voice Contact may justify a lower level of Voice Customer Satisfaction. But this is not true. MetricNet's research shows that even Enterprise Service Desks with a very low Average Cost per Voice Contact can achieve consistently high Voice Customer Satisfaction ratings.

**Key correlations:** Voice Customer Satisfaction is strongly correlated with the following metrics:

- Net First Contact Resolution Rate
- Call Quality
- Analyst Job Satisfaction
- New Analyst Training Hours
- Annual Analyst Training Hours



## Voice Quality Metrics (continued)

#### Net First Contact Resolution Rate

**Definition:** Net First Contact Resolution (FCR) applies only to live (e.g., voice) contacts. It is a percentage, equal to the number of inbound calls that are resolved on the first contact with the customer, divided by all calls that are potentially resolvable on first contact. Calls that involve a customer callback, or are otherwise unresolved on the first contact for any reason, do not qualify for Net First Contact Resolution. Calls that *cannot* be resolved on first contact, such as a hardware break/fix, are not included in the denominator of Net First Contact Resolution Rate. (Some Enterprise Service Desks also measure FCR for email and web tickets by considering an email/web ticket resolved on first contact if the customer receives a resolution within one hour of submitting the

 $Net \ First \ Contact \ Resolution \ Rate = \frac{Calls \ actually \ resolved \ on \ first \ contact}{Calls \ resolvable \ on \ first \ contact}$ 

email/ticket.)

Why it's important: Net First Contact Resolution is the single biggest driver of Voice Customer Satisfaction. A high Net FCR Rate is almost always associated with high levels of Voice Customer Satisfaction. Enterprise Service Desks that emphasize training (that is, high training hours for new and veteran analysts) and have good technology tools, such as remote diagnostic capability and knowledge-management systems, generally enjoy a higher-than-average Net FCR Rate.

**Key correlations:** Net First Contact Resolution Rate is strongly correlated with the following metrics:

- Customer Satisfaction
- Net First Level Resolution Rate
- New Analyst Training Hours
- Annual Analyst Training Hours
- Inbound Voice Handle Time



## **Quality Metrics (continued)**

## Call Quality

**Definition:** Although there is no consistent methodology for measuring Call Quality in the Enterprise Service Desk industry, most Enterprise Service Desks have developed their own scoring system for grading the quality of a call. Most will measure Call Quality on a scale of zero to 100%, and evaluate such things as analyst courtesy, professionalism, empathy, timeliness of resolution, quality of resolution, adherence to the script, etc.

 $Call\ Quality = A\ score\ based\ on\ the\ agent's\ helpfulness, efficiency, courtesy, etc.$ 

Why it's important: Call Quality is the foundation of Voice Customer Satisfaction. Good Call Quality takes into account analyst knowledge and expertise, call efficiency (that is, Inbound Voice Handle Time), and analyst courtesy and professionalism. Unless Call Quality is consistently high, it is difficult to achieve consistently high levels of Voice Customer Satisfaction. When measured properly, Call Quality and Voice Customer Satisfaction should track fairly closely.

Key correlations: Call Quality is strongly correlated with the following metrics:

- Voice Customer Satisfaction
- Net First Contact Resolution Rate
- New Analyst Training Hours
- Annual Analyst Training Hours



## **Voice Productivity Metrics**

## Voice Analyst Utilization

**Definition:** Voice Analyst Utilization is the average time that a voice analyst spends handling both inbound and outbound calls per month, divided by the number of work hours in a given month. (See the more thorough definition on page **24**.)

Voice Analyst Utilization =  $\frac{Total\ call\ handling\ time\ per\ month}{Number\ of\ work\ hours\ per\ month}$ 

Why it's important: Voice Analyst Utilization is the single most important indicator of voice-analyst productivity. It measures the percentage of time that the average voice analyst is in "work mode," and is independent of handle time or call complexity.

**Key correlations:** Voice Analyst Utilization is strongly correlated with the following metrics:

- Inbound Voice Contacts per Analyst per Month
- Average Cost per Voice Contact
- Average Cost per Voice Minute
- Analyst Occupancy
- Average Speed of Answer



#### Voice Analyst Utilization Defined

- ✓ Voice Analyst Utilization is a measure of the actual time that voice analysts spend providing direct customer support in the voice channel in a month, divided by the analysts' total time at work during the month.
- It takes into account both inbound and outbound voice contacts handled by the analysts.
- But the calculation for Analyst Utilization does not make adjustments for sick days, holidays, training time, project time, or idle time.
- By calculating Analyst Utilization in this way, all Enterprise Service Desks worldwide are measured in exactly the same way, and can therefore be directly compared for benchmarking purposes.

Analyst
Utilization

((Avg. number of inbound contacts handled per analyst per month) X (Avg. inbound handle time in minutes) +

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(Avg. number of outbound contacts handled per analyst per month) X (Avg. inbound handle time in minutes) +

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(Avg. number of outbound contacts handled per analyst per month) X (Avg. outbound handle time in minutes))

#### Example: Enterprise Service Desk Analyst Utilization

- Inbound Contacts per Analyst per Month = 375
- Outbound Contacts per Analyst per Month = 225
- Average Inbound Contact Handle Time = 10 minutes
- ✓ Average Outbound Contact Handle Time = 5 minutes



## Voice Productivity Metrics (continued)

#### Inbound Voice Contacts per Analyst per Month

**Definition:** Inbound Voice Contacts per Analyst per Month is the average monthly inbound call volume divided by the average full-time equivalent (FTE) voice-analyst headcount. Voice-analyst headcount is the average FTE number of employees and contractors handling voice contacts.

 $Inbound\ Voice\ Contacts\ per\ Analyst\ per\ Month = \frac{Avg.\ inbound\ call\ volume}{Avg.\ FTE\ voice\ analyst\ headcount}$ 

Why it's important: Inbound Voice Contacts per Analyst per Month is an important indicator of voice-analyst productivity. A low number could indicate low Voice Analyst Utilization, poor scheduling efficiency or schedule adherence, or a higher-than-average Inbound Voice Handle Time. Conversely, a high number of inbound contacts per analyst may indicate high Voice Analyst Utilization, good scheduling efficiency and schedule adherence, or a lower-than-average Inbound Voice Handle Time. Every Enterprise Service Desk should track and trend this metric on a monthly basis.

**Key correlations:** Inbound Voice Contacts per Analyst per Month is strongly correlated with the following metrics:

- ✓ Voice Analyst Utilization
- ✓ Inbound Voice Handle Time
- Average Cost per Voice Contact
- Average Cost per Voice Minute
- Analyst Occupancy
- Average Speed of Answer



## Voice Productivity Metrics (continued)

#### Outbound Voice Contacts per Analyst per Month

**Definition:** Outbound Voice Contacts per Analyst per Month is the average monthly outbound call volume divided by the average full-time equivalent (FTE) voice-analyst headcount. Outbound contacts can include callbacks to customers who have left voice messages or sent emails, or callbacks to deliver information and solutions to customers who had previously called in. Voice-analyst headcount is the average FTE number of employees and contractors handling voice contacts.

 $Outbound\ Voice\ Contacts\ per\ Analyst\ per\ Month = \frac{Avg.\ outbound\ call\ volume}{Avg.\ FTE\ voice\ analyst\ headcount}$ 

Why it's important: While Outbound Voice Contacts per Analyst per Month is technically a productivity metric, it's most important as an indicator of Enterprise Service Desk effectiveness (quality of performance). The most effective Enterprise Service Desks have high Net First Contact Resolution Rates and therefore have low outbound call volumes.

**Key correlations:** Outbound Voice Contacts per Analyst per Month is strongly correlated with the following metrics:

- Net First Contact Resolution Rate
- Customer Satisfaction
- Average Cost per Voice Contact
- Average Cost per Voice Minute
- ✓ Voice Analyst Utilization



# Voice Productivity Metrics (continued)

## Voice, Chat, and Email Analysts as a % of Total Enterprise Service Desk Headcount

**Definition:** This metric is the average full-time equivalent (FTE) voice, chat, and email analyst headcount divided by the average total Enterprise Service Desk headcount. It is expressed as a percentage, and represents the percentage of total Enterprise Service Desk personnel who are engaged in direct customersupport activities. Headcount includes both employees and contractors.

 $Analysts~as~a~\%~of~Total~Headcount = \frac{Avg.\,FTE~analyst~headcount}{Avg.\,total~Service~Desk~headcount}$ 

Why it's important: The analyst headcount as a percentage of total Enterprise Service Desk headcount is an important measure of management and overhead efficiency. Since non-analysts include both management and non-management personnel (such as supervisors and team leads, QA/QC, trainers, etc.), this metric is not a pure measure of management span of control. But it is a more useful metric than management span of control because the denominator of this ratio takes into account *all* personnel that are not directly engaged in customer-support activities.

**Key correlations:** Analysts as a % of Total Enterprise Service Desk Headcount is strongly correlated with the following metrics:

Average Cost per Analyst-Assisted Contact



## **Voice SLA Metrics**

## Average Speed of Answer (ASA)

**Definition:** Average Speed of Answer (ASA) is the total wait time that callers are in queue, divided by the number of calls handled. This includes calls handled by an Interactive Voice Response (IVR) system, as well as calls handled by live analysts. Most Automatic Call Distributor (ACD) systems measure this number.

 $Average \ Speed \ of \ Answer = \frac{Total \ initial \ wait \ time \ of \ all \ callers}{Number \ of \ inbound \ calls \ handled}$ 

Why it's important: ASA is a common service-level metric in the Enterprise Service Desk industry. It indicates how responsive an Enterprise Service Desk is to incoming calls. Since most Enterprise Service Desks have an ASA service-level target, the ASA is tracked to ensure service-level compliance.

**Key correlations:** Average Speed of Answer is strongly correlated with the following metrics:

- Call Abandonment Rate
- % Answered in 60 Seconds
- ✓ Voice Analyst Utilization



# Voice SLA Metrics (continued)

#### Call Abandonment Rate

**Definition:** Call Abandonment Rate is the percentage of calls that were connected to the ACD, but were disconnected by the caller before reaching an analyst or before completing a process within the IVR.

Call Abandonment Rate = 
$$\frac{Calls \ abandoned \ by \ caller}{Total \ inbound \ calls}$$

Why it's important: Call Abandonment Rate is a common service-level metric in the Enterprise Service Desk industry. An abandoned call indicates that a caller gave up and hung up the phone before receiving service from a live analyst or from the IVR. Since most Enterprise Service Desks have an abandonment-rate service-level target, the Call Abandonment Rate is tracked to ensure service-level compliance.

**Key correlations:** Call Abandonment Rate is strongly correlated with the following metrics:

- Average Speed of Answer
- % Answered in 60 Seconds
- ✓ Voice Analyst Utilization



# Voice SLA Metrics (continued)

#### % Answered in 60 Seconds

**Definition:** This metric is fairly self-explanatory. It is the percentage of all inbound calls that are answered by a live analyst within 60 seconds. For those who don't track this exact metric, but track a similar metric such as % Answered in 30 Seconds, MetricNet uses a conversion formula to calculate the equivalent percentage of calls answered within 60 seconds.

% Answered in 60 Seconds =  $\frac{Inbound\ calls\ answered\ in\ 60\ seconds}{Total\ inbound\ calls}$ 

Why it's important: % Answered in 60 Seconds is a common service-level metric in the Enterprise Service Desk industry. It indicates how responsive an Enterprise Service Desk is to incoming calls. Many Enterprise Service Desks have a service-level target for % Answered in 60 Seconds, so the metric is tracked to ensure service-level compliance.

**Key correlations:** % Answered in 60 Seconds is strongly correlated with the following metrics:

- Average Speed of Answer
- Call Abandonment Rate
- Voice Analyst Utilization



## **Analyst Metrics**

## Annual Analyst Turnover

**Definition:** Annual Analyst Turnover is the average percentage of analysts that leave the analyst role in the Enterprise Service Desk, for any reason (voluntarily or involuntarily), in a year. New analysts who leave during their initial training period should not be included in the numerator when

 $Annual \ Analyst \ Turnover = \frac{Avg. number \ of \ analysts \ that \ leave \ per \ year}{Avg. \ total \ analyst \ head count}$ 

calculating turnover.

Why it's important: Analyst turnover is costly. Each time an analyst leaves the Enterprise Service Desk, a new analyst needs to be hired to replace the outgoing analyst. This results in costly recruiting, hiring, and training expenses. Additionally, it is typically several weeks or even months before an analyst is fully productive, so there is lost productivity associated with analyst turnover as well. High analyst turnover is generally associated with low analyst morale in an Enterprise Service Desk.

**Key correlations:** Annual Analyst Turnover is strongly correlated with the following metrics:

- Daily Analyst Absenteeism
- Annual Analyst Training Hours
- Customer Satisfaction
- Net First Contact Resolution Rate
- Average Cost per Analyst-Assisted Contact
- Analyst Job Satisfaction



## Daily Analyst Absenteeism

**Definition:** Daily Analyst Absenteeism is the average percentage of analysts with an unplanned absence on any given day. It is calculated by dividing the number of unplanned absences in a given period of time by the total number of scheduled analyst-workdays during the same period.

 $\label{eq:decomposition} \textit{Daily Analyst Absenteeism} = \frac{\textit{Avg. number of unplanned absences per day}}{\textit{Avg. number of analysts scheduled to work per day}}$ 

Why it's important: High Analyst Absenteeism is problematic because it makes it difficult for an Enterprise Service Desk to schedule resources efficiently. High absenteeism can severely harm an Enterprise Service Desk's operating performance and increase the likelihood that service-level targets will be missed. A Enterprise Service Desk's Average Speed of Answer and Call Abandonment Rate typically suffer when absenteeism is high. Also, chronically high absenteeism is often a sign of low analyst morale.

**Key correlations:** Daily Analyst Absenteeism is strongly correlated with the following metrics:

- Annual Analyst Turnover
- Analyst Job Satisfaction
- Analyst Utilization
- Average Cost per Analyst-Assisted Contact
- Contacts per Analyst per Month



#### Analyst Schedule Adherence

**Definition:** Analyst Schedule Adherence measures whether analysts are in their seats ready to accept calls as scheduled. That is, it measures how well an Enterprise Service Desk's analysts are "adhering" to the schedule. Analyst Schedule Adherence is equal to the actual time that an analyst is logged in to the system ready to accept calls as scheduled, divided by the total time the analyst is scheduled to be available to accept calls.

 $Analyst \, Schedule \, Adherence = \frac{Hours \, that \, analysts \, are \, available \, for \, or \, on \, calls}{Hours \, that \, analysts \, are \, scheduled \, to \, be \, available}$ 

Why it's important: Effective analyst scheduling is critical to achieving an Enterprise Service Desk's service-level goals and maximizing Analyst Utilization. But a work schedule, no matter how well constructed, is only as good as the adherence to the schedule. It is therefore important for analysts to adhere to the schedule as closely as possible to ensure that these productivity and service-level goals are met.

**Key correlations:** Analyst Schedule Adherence is strongly correlated with the following metrics:

- Analyst Utilization
- Contacts per Analyst per Month
- Analyst Occupancy
- Average Speed of Answer



## **Analyst Occupancy**

**Definition:** Analyst Occupancy is a percentage, equal to the amount of time that a voice analyst is in his or her seat and connected to the ACD and either engaged in a call or ready to answer a call, divided by the analyst's total number of hours at work (excluding break time and lunch time).

 $Analyst\ Occupancy = \frac{Hours\ that\ analysts\ are\ ready\ to\ answer\ or\ actually\ on\ calls}{Total\ analyst\ work\ hours}$ 

Why it's important: Analyst Occupancy is an indirect measure of analyst productivity and Analyst Schedule Adherence. High levels of Analyst Occupancy indicate an orderly, disciplined work environment. Conversely, low levels of Analyst Occupancy are often accompanied by a chaotic, undisciplined work environment. Analyst Occupancy and Voice Analyst Utilization are sometimes confused. Although Analyst Occupancy and Voice Analyst Utilization are correlated, they are very different metrics. It is possible to have a high occupancy (when analysts are logged into the ACD a large percentage of the time) but a low Voice Analyst Utilization (when few calls are coming in).

**Key correlations:** Analyst Occupancy is strongly correlated with the following metrics:

- ✓ Voice Analyst Utilization
- Analyst Schedule Adherence
- Inbound Voice Contacts per Analyst per Month
- Average Cost per Voice Contact



#### New Analyst Training Hours

**Definition:** The name of this metric is somewhat self-explanatory. New Analyst Training Hours is the number of training hours (including classroom, computer-based training, self-study, shadowing, being coached, and on-the-job training) that a new analyst receives before he or she is allowed to handle customer contacts independently.

New Analyst Training Hours = Number of training hours required before a new analyst may handle contacts independently

Why it's important: New Analyst Training Hours are strongly correlated with Call Quality and Net First Contact Resolution Rate, especially during an analyst's first few months on the job. The more training that new analysts receive, the higher that Call Quality and Net FCR will typically be. This, in turn, has a positive effect on many other performance metrics including Customer Satisfaction. Perhaps most importantly, training levels strongly impact analyst morale—analysts who receive more training typically have higher levels of job satisfaction.

**Key correlations:** New Analyst Training Hours are strongly correlated with the following metrics:

- Call Quality
- Net First Contact Resolution Rate
- Customer Satisfaction
- Contact Handle Time
- Analyst Job Satisfaction



## **Annual Analyst Training Hours**

**Definition:** Annual Analyst Training Hours is the average number of training hours (including classroom, computer-based training, self-study, shadowing, etc.) that an analyst receives on an annual basis. This number includes any training hours that an analyst receives that are not part of the analyst's initial (new-analyst) training. But it does not include routine team meetings, shift handoffs, or other activities that do not involve formal training.

# Annual Analyst Training Hours = Average number of formal training hours per analyst per year

Why it's important: Annual Analyst Training Hours are strongly correlated with Call Quality, Net First Contact Resolution Rate, and Customer Satisfaction. Perhaps most importantly, training levels strongly impact analyst morale—analysts who receive more training typically have higher levels of job satisfaction.

**Key correlations:** Annual Analyst Training Hours is strongly correlated with the following metrics:

- Call Quality
- Net First Contact Resolution Rate
- Customer Satisfaction
- Contact Handle Time
- Analyst Job Satisfaction



## **Analyst Tenure**

**Definition:** Analyst Tenure is the average number of months that each analyst in your Enterprise Service Desk.

Analyst Tenure = Average number of months that each analyst has worked in your Service Desk

Why it's important: Analyst Tenure is a measure of analyst experience. Almost every metric related to Enterprise Service Desk cost and quality is impacted by the level of experience the analysts have.

**Key correlations:** Analyst Tenure is strongly correlated with the following metrics:

- Average Cost per Analyst-Assisted Contact
- Call Quality
- Customer Satisfaction
- Annual Analyst Turnover
- Analyst Training Hours
- Analyst Coaching Hours
- ✓ Contact Handle Time
- Net First Contact Resolution Rate
- Analyst Job Satisfaction



#### **Analyst Job Satisfaction**

**Definition:** Analyst Job Satisfaction is the percentage of analysts in an Enterprise Service Desk who are either satisfied or very satisfied with their

 $Analyst \textit{Job Satisfaction} = \frac{\textit{Number of satisfied analysts}}{\textit{Total number of analysts surveyed}}$ 

jobs.

Why it's important: Analyst Job Satisfaction is a proxy for analyst morale. And morale, while difficult to measure, affects performance on almost every metric in the Enterprise Service Desk. High-performance Enterprise Service Desks almost always have high levels of Analyst Job Satisfaction. A Enterprise Service Desk can control and improve its performance on this metric through training, coaching, and career pathing.

**Key correlations:** Analyst Job Satisfaction is strongly correlated with the following metrics:

- Annual Analyst Turnover
- Daily Analyst Absenteeism
- Analyst Training Hours
- Analyst Coaching Hours
- Customer Satisfaction
- Net First Contact Resolution Rate
- Contact Handle Time
- ✓ Average Cost per Analyst-Assisted Contact



#### **Chat Metrics**

#### % of Contacts Originating in Chat

**Definition:** As the name suggests, % of Contacts Originating in Chat is the percentage of all contacts coming into the Enterprise Service Desk that originate in the chat channel. As a chat channel matures, this metric normally

% of Contacts Originating in Chat =  $\frac{Volume\ of\ contacts\ originating\ in\ chat}{Total\ contact\ volume\ from\ all\ channels}$ 

increases.

Why it's important: % of Contacts Originating in Chat is a direct reflection of Enterprise Service Desk chat-channel maturity. Ideally, the chat channel should enrich the user experience by providing channel choice and high-quality interactions. A low percentage could indicate that your customers do not know chat is offered or that they simply do not want or need that channel choice.

**Key correlations:** % of Contacts Originating in Chat is strongly correlated with the following metrics:

- Chat Sessions per Chat Analyst per Month
- % of Contacts Resolved in Chat
- Chat First Contact Resolution Rate
- % Failover Rate from Chat to Voice



#### % of Contacts Resolved in Chat

**Definition:** % of Contacts Resolved in Chat is the percentage of all contacts coming into the Enterprise Service Desk that originate and are resolved in the chat channel. This number will be less than or equal to the % of Contacts Originating in Chat. Once again, as the chat channel matures, this metric normally increases.

% of Contacts Resolved in Chat =  $\frac{Volume\ of\ contacts\ resolved\ in\ chat}{Total\ contact\ volume\ from\ all\ channels}$ 

Why it's important: % of Contacts Resolved in Chat is a measure of the overall competency of the chat channel, and is a proxy for Total Cost of Ownership (TCO). A high % of Contacts Resolved in Chat helps to minimize TCO because each contact that is initiated and resolved in the chat channel avoids failover to a higher-cost voice contact. Enterprise Service Desks can improve their % of Contacts Resolved in Chat through training, and through investments in key technologies such as proactive chat pop-ups.

**Key correlations:** % of Contacts Resolved in Chat is strongly correlated with the following metrics:

- Chat First Contact Resolution Rate
- New Analyst Training Hours
- Annual Analyst Training Hours
- Average Cost per Chat Session
- Total Cost of Ownership
- % Failover Rate from Chat to Voice



#### Chat First Contact Resolution Rate

**Definition:** Chat First Contact Resolution is the percentage of chat sessions that are resolved on the first interaction with the customer, divided by all chat sessions that are potentially resolvable on first contact. Chat sessions that cannot be resolved on first contact, such as a hardware break/fix, are not included in the denominator of Chat First Contact Resolution Rate.

Chat First Contact Resolution Rate =  $\frac{Number\ of\ contacts\ resolved\ in\ first\ chat}{Number\ of\ contacts\ resolvable\ in\ chat}$ 

Why it's important: Chat First Contact Resolution is the single biggest driver of Customer Satisfaction in the chat channel. A high Chat First Contact Resolution Rate is almost always associated with high levels of Customer Satisfaction. Enterprise Service Desks that emphasize training (that is, high training hours for new and veteran analysts), and have good technology tools, such as remote diagnostic capability and knowledge-management systems, generally enjoy a higher-than-average Chat First Contact Resolution Rate.

**Key correlations:** Chat First Contact Resolution Rate is strongly correlated with the following metrics:

- Customer Satisfaction in the Chat Channel
- % of Contacts Resolved in Chat
- New Analyst Training Hours
- Annual Analyst Training Hours
- Chat Handle Time



#### % Failover Rate from Chat to Voice

**Definition:** % Failover Rate from Chat to Voice measures the percentage of chats that "failover" to a live-analyst voice contact. This happens when the analyst or the caller feels that voice communication is needed, and they revert from the chat channel to the voice channel to complete a transaction.

% Failover Rate from Chat to Voice =  $\frac{Number\ of\ chats\ that\ failover\ to\ voice}{Total\ number\ of\ chat\ sessions}$ 

Why it's important: % Failover from Chat to Voice is another measure of the overall competency of the chat channel and a proxy for both TCO and Customer Satisfaction. A low % Failover from Chat to Voice helps to maximize Customer Satisfaction and minimize TCO because the chat session is initiated and resolved on first contact. Enterprise Service Desks can improve their % Failover from Chat to Voice through training, and investments in certain technologies such as remote diagnostic tools and knowledge-management systems.

**Key correlations:** % Failover Rate from Chat to Voice is strongly correlated with the following metrics:

- Chat First Contact Resolution Rate
- New Analyst Training Hours
- Annual Analyst Training Hours
- Average Cost per Chat Session
- Total Cost of Ownership



#### Customer Satisfaction in the Chat Channel

**Definition:** Customer Satisfaction in the Chat Channel is the percentage of customers who are either satisfied or very satisfied with their Enterprise Service Desk experience in the chat channel. This metric can be captured in a number of ways, including automatic after-chat pop-up surveys, follow-up outbound (live-analyst) calls, email surveys, etc.

 $\textit{Customer Satisfaction in Chat Channel} = \frac{\textit{Number of satisfied chat customers}}{\textit{Number of chat customers surveyed}}$ 

Why it's important: Customer Satisfaction in the Chat Channel is the single most important measure of chat-channel quality. Any successful chat channel will have consistently high Customer Satisfaction ratings. Some Enterprise Service Desk managers are under the impression that a low Average Cost per Chat Session may justify a lower level of Customer Satisfaction in the Chat Channel. But this is not true. MetricNet's research shows that even Enterprise Service Desks with a very low Average Cost per Chat Session can achieve consistently high customer satisfaction ratings in the chat channel.

**Key correlations:** Customer Satisfaction in the Chat Channel is strongly correlated with the following metrics:

- New Analyst Training Hours
- Annual Analyst Training Hours
- Chat First Contact Resolution



## **Average Concurrent Chat Sessions**

**Definition:** Average Concurrent Chat Sessions is the average number of chat sessions that a chat analyst has open at any given time.

Average Concurrent Chat Sessions = Average number of open chats per analyst

Why it's important: The ability to handle concurrent chat sessions is the primary economic advantage of the chat channel.

**Key correlations:** Average Concurrent Chat Sessions is strongly correlated with the following metrics:

- Chat First Contact Resolution Rate
- % Failover Rate from Chat to Voice
- Average Cost per Chat Minute



#### Max Concurrent Chat Sessions

**Definition:** Most organizations will limit the number of concurrent sessions an analyst is allowed to handle. Newer analysts might be limited to a single chat session at a time, while more experienced analysts might be allowed to handle as many as four concurrent chat sessions.

Max Concurrent Chat Sessions = The maximum number of chat sessions that an analyst is allowed to handle concurrently

Why it's important: While the ability to handle concurrent chat sessions is the primary economic advantage of the chat channel, analysts attempting to handle too many concurrent sessions will likely see a significant drop in Customer Satisfaction and Chat First Contact Resolution Rate, and a significant increase in % Failover Rate from Chat to Voice. It is also important to note that the analyst skill set required for chat is somewhat different than that required of a voice analyst. One should not automatically assume that a successful voice analyst will be a successful chat analyst, and vice versa.

**Key correlations:** Max Concurrent Chat Sessions is strongly correlated with the following metrics:

- Chat First Contact Resolution Rate
- % Failover Rate from Chat to Voice
- Customer Satisfaction in the Chat Channel



## Chat Sessions per Chat Analyst per Month

**Definition:** Chat Sessions per Chat Analyst per Month is the average monthly chat volume divided by the average full-time equivalent (FTE) chat-analyst headcount. Chat-analyst headcount is the average FTE number of employees and contractors handling chats.

Sessions per Chat Analyst per Month =  $\frac{Total\ monthly\ volume\ of\ chat\ sessions}{FTE\ number\ of\ analysts\ handling\ chats}$ 

Why it's important: Chat Sessions per Chat Analyst per Month is an important indicator of chat-analyst productivity. A low number could indicate low Analyst Occupancy, poor scheduling efficiency or schedule adherence, or a higher-than-average Chat Handle Time. Conversely, a high number of chat sessions per analyst may indicate high Analyst Occupancy, good scheduling efficiency and schedule adherence, or a lower-than-average Chat Handle Time. Every Enterprise Service Desk with a chat channel should track and trend this metric on a monthly basis.

**Key correlations:** Chat Sessions per Chat Analyst per Month is strongly correlated with the following metrics:

- Chat Handle Time
- Average Cost per Chat Session
- Average Cost per Chat Minute
- Analyst Occupancy



## **About MetricNet**

MetricNet, LLC is the leading source of benchmarks, scorecards, and performance metrics for Information Technology and Contact Center Professionals worldwide. Our mission is to provide you with the benchmarks you need to run your business more effectively.

MetricNet has pioneered a number of innovative techniques to ensure that you receive fast, accurate benchmarks, with a minimum of time and effort.

In addition to our **industry benchmarks**, such as this report, MetricNet also offers:

- The One Year Path to World-Class Performance, a continuous Enterprise Service Desk improvement program.
- Benchmarking data files for those who wish to conduct their own benchmarking analysis.
- Comprehensive <u>peer group benchmarks</u> that compare your performance to others in your vertical market.

#### Free Resources

Every month, MetricNet presents a live training webcast. Thousands of professionals attend each year and many of our clients have their entire teams attend. These events are a great way to boost Annual Analyst Training Hours! Topics include Enterprise Service Desk Best Practices and KPIs, Desktop Support Best Practices and KPIs, Contact Center Best Practices and KPIs, and more. Sign up for our **Free Webcasts**.

We also have developed an extensive resource library filled with free training materials for Information Technology and Contact Center professionals. Each resource is available to download in PDF format. Browse our **resource library**.

