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Calculating the Total Economic Impact of Collaborative Support Software

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Continuing analyst research

Question

What are the costs, benefits, flexibility and associated risk factors involved in calculating the Total Economic Impact of collaborative support software?

Answer

Increased interest in collaborative support products has created quandaries over return on investment (ROI), as collaborative support products, such as those offered by **ePeople** and **Intraspect**, do not fit into the ROI models typically used for support automation software. Using Giga's Total Economic Impact (TEI) model — which calculates the value of costs, benefits, additional flexibility a product or technology may bring to an organization, and associated risks in each area — cost justification can be determined for a collaborative support project. The benefits of collaborative support software include reduced resolution time for critical, escalated incidents — generally high-profile problems that traditional customer relationship management (CRM) and support software does little to streamline. Collaborative support also offers additional flexibility to an organization by allowing groups to leverage the expertise management component for identifying subject matter experts across the enterprise when critical customer issues arise outside of support.

Support, help desk, e-service and e-support software vendors have traditionally targeted productivity improvements for level one agents as the primary ROI metrics to cost justify product purchases, and collaborative support software offers little productivity improvement for level one agents. However, it does streamline processes for senior technicians and managers, whose salary costs are considerably higher than level one agents.

Costs for a collaborative support implementation are chiefly the acquisition, implementation and maintenance of the software. The software vendor being evaluated can provide a high-level cost estimate to help in the initial TEI calculation for project cost justification. Risks associated with these cost factors include implementation problems or delays due to lack of product expertise and unplanned customizations or integrations that add cost and complexity to the project.

As for benefits, tracking down the appropriate experts from sales, engineering, quality assurance, technical publications, etc., to brainstorm the solution to a critical customer problem may take hours or even days without automation, so streamlining this process with expertise management, and being able to pull these experts into an immediate collaboration using collaborative desktop tools offers multiple benefits:

- Decreased incident handling time by level two or level three agents, or help desk managers. Giga research identifies guidelines for calculating reduced incident handling time for level one, and the same formulas can be used for these more expensive resources (see IdeaBytes [How to Calculate ROI for Help Desk Remote Control Software](#), John Ragsdale and [Key Metric for Support ROI: Average Agent Cost Per Minute](#), John Ragsdale).

- Decreased resolution time of problems, meaning customers are up and running faster, and service level agreements (SLAs) are more easily met or exceeded. This is critical in some business-to-business (B2B) environments in which penalties may be incurred for missed SLAs.
- Increased customer satisfaction and retention by being more responsive to customer issues and solving high-profile problems faster.

Having a precise calculation for the value of increased customer satisfaction is difficult, but to find a metric that works for your environment, consider the value of having more happy, referenceable customers to speak with prospects, participate in case studies, provide best-practice presentations at user conferences and quotes for press releases, etc. For example, by analyzing win/loss reports for previous quarters, identify deals where enhanced referencability would have impacted deals, and determine an average of additional deals or increased deal size possible each quarter by having more references and case studies in place. Risk factors associated with these benefits include lack of user adoption, inadequate training or a longer than anticipated implementation time, all of which would minimize benefits or increase the time before benefits can be realized.

Companies evaluating collaborative support products should also consider the value of additional flexibility gained by having such a system in place. By providing a workspace where the resolution work is performed, companies capture unstructured data that is not captured elsewhere in the organization. The value of this data offers enhanced flexibility to organizations, including the ability to learn:

- How to streamline the support process for complex issues.
- Direct product feedback — how to make the product better
- How to enhance services so customers do not face this problem again — enhancing training, professional services, etc.
- What is the total cost of support to the organization, by knowing the “who and when” of collaborators outside of support

Having a collaborative support system in place will provide a company with the flexibility to generate additional revenue by creating multiple tiers of support/service contracts (bronze, silver or gold, for example), with higher tiers, including collaborative involvement from experts across the enterprise. Additionally, the ability to quickly and easily identify experts can be leveraged by groups outside of support, including:

- Sales — ability to pull an expert into a discussion with a customer or prospect that needs a more detailed understanding on a product or architecture issue
- Account management — relationship building information on “how and “why” things are designed the way they are or other product issues
- Marketing — ability to immediately identify experts to provide content to help battle a competitive product or technology announcement, or to quickly combat a FUD (fear, uncertainty, doubt) attack by a competitor
- Project management — locating needed expertise when a project hits a major obstacle, and knowledge beyond that of the project team is required to find a solution or workaround

Risks associated with these flexibility factors include employee burnout by over-reliance on particular experts, and underutilization in areas outside of support due to a lack of training for non-support employees on situations in which expertise management could be leveraged for assistance.

Recommendations

Use Giga guidelines (see IdeaByte [Estimating Help Desk Staffing: Beyond Industry Ratios](#), John Ragsdale) to create process flows to illustrate how much time level two/three agents and help desk managers are currently using to identify experts for critical customer problems.

Collaborative support, involving experts in other areas of the company, requires executive support and assistance for successful widescale adoption. Be cautious in how plans for a collaborative support implementation are explained to non-support employees, so they understand this should minimize the time

involved to solve problems, not just give them more work to do.

As with any CRM or support implementation, begin with project goals for reducing handling time of critical problems, increased customer satisfaction, adherence to SLAs, etc., and then put the metrics in place during implementation to allow clear tracking of how you are doing in meeting these goals.