Step-by-Step Guide to Successfully Outsourcing Your Help Desk

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The rise of Help Desk Outsourcing in a Post-covid era

The world's abrupt transition to a remote workforce is slamming IT Departments with unprecedented demands – making a well-run IT help desk no longer a "nice to have" but a "must-have" for organizations. Since the start of the pandemic, most help desks have been called on to handle an exploding number of requests – while also speeding issue resolution, reducing ticket volumes, maintaining user productivity, and keeping costs down.

There's little end in sight: Gartner reports that 74% of companies plan to permanently shift at least some operations to a Work From Home (WFH) model. At the same time, CIOs face mounting pressure to transform IT into a Business Enablement Powerhouse – focusing resources on the core competencies and strategic tasks that will help the organization prosper in the post-pandemic era.

Meeting these competing demands is a tall order. And that's pushing many CIOs to reconsider their current IT support model – turning to outsourcing as an easy, cost-effective way to drive modernization in the help desk while freeing internal staff to focus on innovation.

In the wake of COVID-19, 45% of enterprises plan to outsource more IT functions than they insource over the next 18 months. The help desk is frequently the pilot project for IT outsourcing – with investments in help desk-related services increasing from 25% to 50% nationwide. Among companies already outsourcing help desks, 95% plan to maintain or increase their level of service.

End-user support isn't a core business function, but it represents the face of IT to the rest of the organization. Unfortunately, internal help desks carry many pain points that sour the relationship between the business and technical teams.

The severe IT labor shortage has left many IT Departments stretched thin, without a dedicated service desk structure. As a result, any team member might be tasked with any issue that comes in, distracting high-level staff from value-add priorities. Service levels from these reactive, understaffed teams are typically poor and inconsistent, with high costs, inadequate service schedules, outdated knowledge bases, and limited documentation and metrics. The WFH model made service delivery even more challenging, with many organizations lacking remote access and diagnostic tools or the ability to provide telephone-based support.

By outsourcing the non-strategic help desk function to a reputable third-party provider, companies can quickly achieve the cost optimization, process maturity, tools, resources, and expertise they need to sustain the highest level of end-user support in the "new normal." It transforms an outdated help desk into a modern High-Performance Service Desk, offering proactive support that can resolve 80% of user issues.

Outsourcing is a proven path that can help enterprises not only survive but thrive in the post-pandemic era – when it's executed properly. Follow our roadmap for 10 key steps to outsource your help desk successfully.

Help Desk Outsourcing:
10 simple steps to achieve the value your business needs

1. Start with an end goal in mind

Too many outsourcing projects fall apart because organizations didn't begin with an end goal in mind. Identifying your business drivers for outsourcing - and aligning your leadership team and outsourcing provider behind them - ensures your service desk delivers the value you need.

Help desk support ranks among the top two opportunities to reduce IT costs through outsourcing. But while cost reduction can be important, it's rarely an organization's sole business driver. In fact, most companies are realizing they have been underspending in IT as digital transformation becomes essential to competing in today's markets.

Whether your goal is scalability, improved service consistency, expanded coverage and language skills, a higher strategic focus for IT, or another business driver, defining a clear vision from the start is key to accurately measuring your provider's performance and setting the right expectations for the business.

Many Organizations Do Not **Begin With The End Goal** in Mind...

What are the business drivers you are seeking to get from outsourcing your Help Desk?

- Cost Reduction
- Customer & Employee Experience
- Improved SLAs & Service Consistency
- Expanded Coverage & Language Skills
- Scalability
- Agility
- Security & Controls
- Higher Strategic Focus
- Real-Time Reporting

2. Clearly define service desk scope and expectations

Most organizations that are still running their help desk internally do not necessarily have a clear understanding of their business requirements when it comes to ticket volumes, hours of operation and staffing levels. As part of your outsourcing selection process, make sure to invest time in thoroughly defining scope and expectations for your service desk provider.

As part of this analysis, these are some key considerations to keep in mind:

- **Coverage hours.** Many businesses are dazzled by the idea of a 24/7 service desk. But without global operations, they rarely generate enough volume to justify the higher cost of service during overnight or weekend hours. As a result, they could wind up overpaying for 24/7 support when a standard coverage model could easily meet their needs.

    If you do opt for 24/7 service, defining the coverage and quality you require after-hours can also keep unnecessary costs from accruing. For instance, do you really need full resolution for all ticket types around-the-clock? Or is it enough to provide limited support for higher complexity tickets to be fully resolved the next business day?

- **Role of the service desk.** Clear, realistic expectations of what a service desk can provide are critical to successful outsourcing. But too many companies envision pie-in-the-sky models that simply can't work. For instance, asking too few resources to become experts in too many different technologies. In that scenario, service quality plummets as the help desk struggles to effectively respond to all requests while staying up to date with so many systems.

- **SLAs (Service-Level Agreements).** Robust SLAs keep you and your outsourcer on the same page – establishing mutually agreed-upon terms, guidelines, and metrics that ensure expectations are met. SLAs should be ultimately determined based on what matters most to your organization. But tracking critical metrics like first-call resolution rates, average speed to answer, and call abandonment rates provides important visibility into service desk performance – measuring success and ensuring gaps in service are quickly addressed.

3. Determine levels of support and escalations beyond Level 1

It's a common misconception that a High-Performance Service Desk will handle every issue. While it should function as a one-stop shop for end-users, it's only a component of a solid IT support model.

An outsourced service desk generally handles basic Level 1 support, with a defined process for escalating complex issues to higher, more specialized tiers. Top-tier providers may also offer more advanced Level 2 support, as well as technology that supports Level 0 self-service channels like chatbots.

A typical IT support model includes:

LEVEL 0

User retrievable information and **self support with zero agent interaction** through the organization's Self Service Portal

LEVEL 1

Basic level of end-user support involving usage issues, access privileges and recording requests that need escalation to higher levels. L1 agents are trained to resolve known problems and to fulfill service requests by following documented SOP or scripts.

LEVEL 2
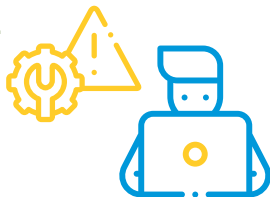
Experienced and more knowledge technicians provide **in-depth end-user troubleshooting from the backend,** assessing incidents or problems, and providing resolution for issues that L1 cannot handle. It may not communicate directly with the end-user.

LEVEL 3

Support the top level of technical management function and used to provide an **expert and specialized level of support for a specific product or service.** This group has typically access permission to the highest level of technical resources available for issue resolution. Looks to reproduce problems in a lab environment looking for root cause engineering/ development teams if necessary.

LEVEL 4

Outsourced support for products or components that are not directly serviced by the organization. Examples include printer support, machine maintenance, vendor software support, and depot support. Issues or requests that are forwarded to Tier-4 support are monitored and closed by the helpdesk until the resolution.

Every company uses different systems and applications, and the help desk may not be able to support less common technologies in the Level 1 tier. Level-setting at the start ensures you and your provider are clear about the service desk's role within the IT support model.

That doesn't just mean defining Level 1 support. To ensure expectations are clear, it's vital to align with your vendor about what issues are covered at every level, what the escalation points are, and who will provide higher levels of support across key applications and infrastructure.

4. Choose the model that's right for you - dedicated or shared resources?

Outsourcing providers offer two models for Help Desk support: dedicated and shared. In both scenarios, a quality provider should offer support that serves as an extension of your in-house team, using the same processes in a remote format.

Shared services are ideal for more standardized solutions, driving efficiency and cost savings by allowing organizations to share resources performing similar work. Dedicated support allows greater customization, offering the ability to handle more complex systems and procedures with outsourced teams dedicated solely to your account.

While shared services generally offer clients the most value, organizations that require more specialized skills or training may need a dedicated approach. Standardizing your organization's technology solutions can be a long-term strategy for simplifying help desk support. Overly customized service desks are more expensive and lose the leverage provided by shared service models.

5. Identify the best location strategy based on your business footprint – nearshore, onshore, or offshore?

How a vendor's location fits into your business footprint matters to outsourcing success. While organizations with global operations can appear to have limitless options, they need to look beyond the lowest cost to ensure the outsourcer they choose has a consistent track record for accommodating different time zones with 24/7 help desks.

Locations without highly educated, multilingual populations can struggle to find the skillsets needed to support global help desks. Onshore locations bring the highest costs and most difficulty finding quality resources willing to work night shifts.

For operations concentrated in a single part of the world like Europe or the Americas, it makes sense to choose a provider in the same region – minimizing difficulties caused by location-based factors like far-away time zones and cultural or language barriers.

For instance, nearshoring to Latin American locations like Costa Rica is a proven help desk solution for U.S. enterprises. Not only does Costa Rica deliver 30-60% labor arbitrage, but it provides access to a highly educated workforce with strong English fluency in an area so proficient in tech it's been recognized as the Silicon Valley of Latin America.

Costa Rica's westernized culture and close proximity to the U.S. makes travel and communication easy for North American operations as well. In fact, many U.S. corporations initially lured to Asian locations like India or the Philippines by bottom-of-the-barrel pricing are rethinking their outsourcing strategy. Unfortunately, they realized the low cost comes with significant risks, including unforeseen cultural differences, an abundance of "black box" operating models, and significant time zone differences that negatively impact communication and responsiveness.

The coronavirus pandemic further spotlighted the shaky infrastructure, poor healthcare, and substandard living conditions that impact service delivery in many Asian locations.

Location Strategy
Leading Regions for
Shared Services & Outsourcing

North America
» Regional solution for US and Canada
» High cost – not convenient for a global
   solution

Eastern Europe
» Nearshore solution for Europe

South and East Asia
» Lowest cost in the globe
» Most common global destination for low-value,
   transactional processes
» Significant time-zone and cultural differences
   with the Americas

Latin America
» Pan-Regional solution for Americas
» 30% to 60% labor arbitrage compared to US
» Used for both low and high value activities

Primary Drivers

- Geographic Proximity
- Time Zone
- Low Cost
- Large and Strong Workforce
- Cultural Affinity
- Language Skills
- Lower Turnover than Asia
- Infrastructure

**Latin America represents 28% of the "Top 25"
Global Outsourcing Destinations** (Tholons 2018)

6. Don't fall for the myth of cost-per-ticket

The old adage "you get what you pay for" has never been truer than with outsourcing vendors. Solutions that look attractive on the surface like cheap Level 1 ticket servicing often hide ugly surprises, like poorly trained staff and frequent ticket escalations.

For a low cost-per-ticket model to work, organizations need high volumes, extremely standardized systems, and low service delivery expectations. Every company has different technologies for service desks to support, making it impossible to create a one-size-fits-all model for ticket costs. If a vendor is offering very low cost-per-tickets, make sure you do your homework to understand what's happening behind the scenes that makes that pricing possible.

7. Be sure you're comparing apples to apples when you quantify your business case

The business drivers you identified for outsourcing your help desk should drive your business case. But make sure you're comparing apples to apples when determining whether you should leverage an outsourcer or operate your help desk internally to achieve your goals. Too many organizations fail to realize the full cost of operating a service desk when building their business case, leading to an improper evaluation.

Hidden costs like technology, quality assurance, knowledge management maintenance, and workforce management are built into vendor prices - but often overlooked as part of internal assessments. The cost of recruiting, retraining, and onboarding agents is another significant help desk expense that's rarely considered. The average North American help desk agent stays less than 2.5 years and costs $10,000 to replace, according to the Help Desk Institute. Outsourcing pushes this headache onto your vendor, keeping your time and money focused on more important priorities.

8. Establish a robust process documentation and transition plan.

Too many outsourcing providers regard transition as an afterthought, but it sets the foundation for long-term success. Taking time to properly transfer knowledge from one team to the next - and making sure documentation is up-to-date – creates service desks that truly function as extensions of in-house teams.

It also establishes a service-centric model, enabling agents to consistently deliver exceptional performance with repeatable processes anyone can follow. Traditional help desks are people-centric, struggling to complete tasks if a resource with critical knowledge or skills isn't available.

Gartner found that many help desk issues boil down to an outsourcer's fundamental failure to grasp the client's business environment and end-user requirements - and keep its knowledge base up-to-date. Challenge potential vendors to detail a robust knowledge transfer process that includes documentation, effective training, and a structured solution for deploying tools. Dig into how the transition will occur, how you will know it's completed, and how the vendor measures success.

9. Consider selection criteria carefully - and choose the partner who defines what's most important to you

Now that you have a clear vision of what you want from a service desk, it's easier to look for the right vendor. Basic expectations are obvious, covering account management support, reporting, and analytics. But an outstanding partner should also offer proven toolsets that help you work smarter in the post-pandemic world, including automation, best practices like ITIL, and service management certifications.

Think beyond cost and look for a high-performance provider who wants to develop a long-term partnership with your organization. Demand continuous improvement plans and a commitment to excellent ticket servicing with minimal escalations. Zero in on providers who offer a proactive approach - for instance, minimizing ticket volumes by identifying repeat issues and addressing the root cause.

It's also essential to pick partners used to working with similarly sized organizations. With less scale, smaller companies require more flexibility from service desk providers than multinational corporations. Larger outsourcers are less able to customize solutions because their operations are structured to handle large volumes.

Consider these key criteria to select a service desk partner who will help you provide quality service for the long-term:

What to Look for in Your Outsourcing Partner

1	Proven Toolsets & Automation Capabilities
2	Real-Time Analytics & Performance Improvement Mindset
3	Robust Knowledge Management Practices
4	Strong Quality Controls & Security Maturity
5	High-Caliber Talent with Strong Recruiting & Retention
6	Contractual Service Level Agreements
7	Flexible Contract Terms & "Spirit of the Agreement"

Cultural Fit "Extension of Your Team" Philosophy

Long-Term Partnership Focus

10. Trust the process!

When help desk outsourcing fails, the problem isn't the concept - which has proven successful for thousands of businesses. It's the execution. Picking the right vendor, outsourcing the right way, and putting the right tools in place are critical to replacing the old "break and fix" approach with a High-Performance Service Desk, upscaling end-user experiences with better processes, governance, and proactive management.

Nothing is perfect – and, like any new venture, help desk outsourcing is bound to experience some bumps in the road. But if organizations clearly understand the value outsourcing can provide - and remain genuinely committed to making it work with the partner they select – the bumps will be irrelevant in the rearview mirror as you follow the path to success.

About Auxis

Founded in 1997, Auxis is a management consulting and outsourcing firm with extensive experience helping CIOs and IT executives modernize their IT Operations to evolve from "keeping the lights on" to becoming true enablers of innovation. Our 24x7x365 Nearshore Delivery Center in Costa Rica provides both Help Desk and full IT Infrastructure Management services. We use a cost-effective, consumption-based model to scale and evolve from a people-centric to a service-centric operation, while upscaling the customer service experience through better processes, governance, and proactive management. Recognized as one of the Top 100 Global Outsourcing providers, Auxis' unique perspective as both advisor and outsourcing operator allows its clients to obtain real benefits and ROI from every engagement.

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