

# Implementing a Shared IT Service Desk

WHITEPAPER

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## Introduction

Faced with the challenge of reduced central funding, local government authorities are under increasing pressure to cut staffing and operational costs, while still upholding the mandate to deliver value and efficiency to the communities they serve.

For already stretched local authorities looking to do more with less, implementing a shared services strategy is an attractive option. Done right, shared services as a service delivery model can offer a range of benefits, such as a reduction in labor costs, improved customer service, increased transparency and governance, and the standardization of processes.

Government IT departments in particular can benefit from the consolidation of IT service desks, either internally or in partnership with other local authorities.

This paper is aimed at IT managers tasked with implementing a shared IT service desk tool and will discuss benefits and common pitfalls, as well as offer insights into developing a shared service desk strategy.

## Benefits

There are many advantages associated with sharing a centralized IT function, notably in terms of cost savings.

A well-implemented shared services strategy can help businesses reduce total support costs by leveraging economies of scale. Collaboration helps drive down the cost of tool procurement through the elimination of duplication and savings on license fees.

In addition, increased purchasing power means that you have better leverage to negotiate volume discounts on license costs and can afford higher end software solutions.

Significant cost benefits can also be achieved by rationalizing the number of applications you have deployed in your organization. While multiple departments may not use what they consider a 'service desk tool', they almost inevitably will be using some kind of third-party software to manage their service provision. For every third-party app you support, you will incur the following kinds of costs every single year:

- Support and Maintenance contracts or SaaS subscription fees
- Additional training costs or other professional services
- Administration costs (especially labor costs)
- Infrastructure costs

Consolidation drives down the marginal costs of the selected application. This means that for each application you retire from your organization, the marginal increase in cost on the shared platform is always going to be less than the true cost of ownership of the application being retired.

These numbers can, and should, be quantified before initiating a shared service desk project, in particular the direct costs:

- How much did you spend with vendor x in the last three years?
- What is the estimated cost of moving that work into a shared services platform?
- What are the costs for: software license + support (if relevant) + labor (internal and external)?
- How many applications can you retire in total?

Beyond cost benefits, centralization and standardization can also improve service delivery and customer satisfaction. A consolidated service desk can help drive the following further improvements within your organizations.

- Collaboration and knowledge sharing – re-using knowledge and sharing experiences can lead to faster resolutions, improve the end user experience and enable better decision making.
- Standardize and streamline processes – enables consistent and accurate service delivery for improved customer experience.
- Measuring of costs and value – common performance metrics allow for greater visibility of performance.
- Larger scope for continuous improvement – a consolidated view of key processes and services makes it easier to identify opportunities for improvement.

Despite these many benefits, there are also challenges in successfully implementing a shared service desk tool.

## Common pitfalls

IT leaders are faced with many challenges when implementing a shared services model. These may include prohibitive set-up costs, lack of expertise, an over-reliance on cost recovery above service delivery and technical issues.

This section highlights two common barriers to implementing a successful consolidated service desk.

### Uncritically enforcing standardized processes

As mentioned in the previous section, the ability to streamline and standardize processes is one of the many benefits of implementing a shared IT service desk. While defining standard processes can indeed increase productivity, improve quality and reduce costs, blindly enforcing homogenous processes can be detrimental to the business.

Individual departments that require a certain degree of responsiveness to deliver on the unique demands of their customers, may feel pressured to compromise on process or requirements in order to consolidate.

Selecting an ITSM tool that is easily configured (NOT customized or coded) to suit the unique requirements of your various business units will not only enable you to define standardized processes, but also allow for the flexibility to tailor requirements as necessary.

### Organizational resistance

In many cases, coming to grips with the technical aspects of implementing a centralized IT function, such as designing processes, defining requirements and tool selection is the easy part.

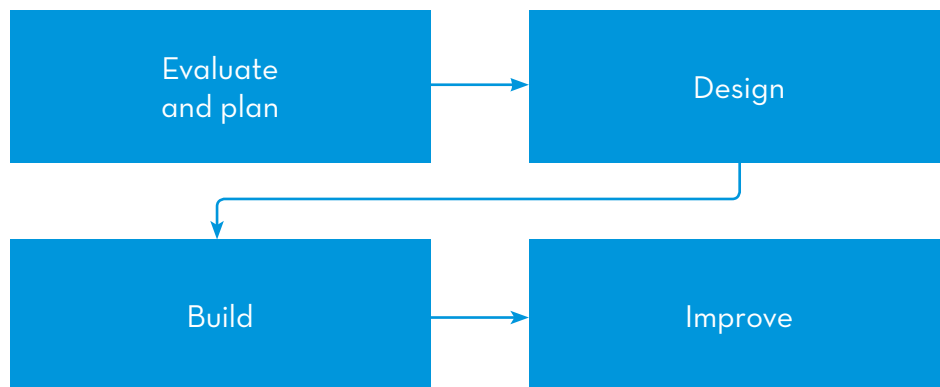
Often, the greatest challenges to building a consolidated service desk are related to people. Organizational resistance to change and internal politics are the largest barriers to successful service desk consolidations.

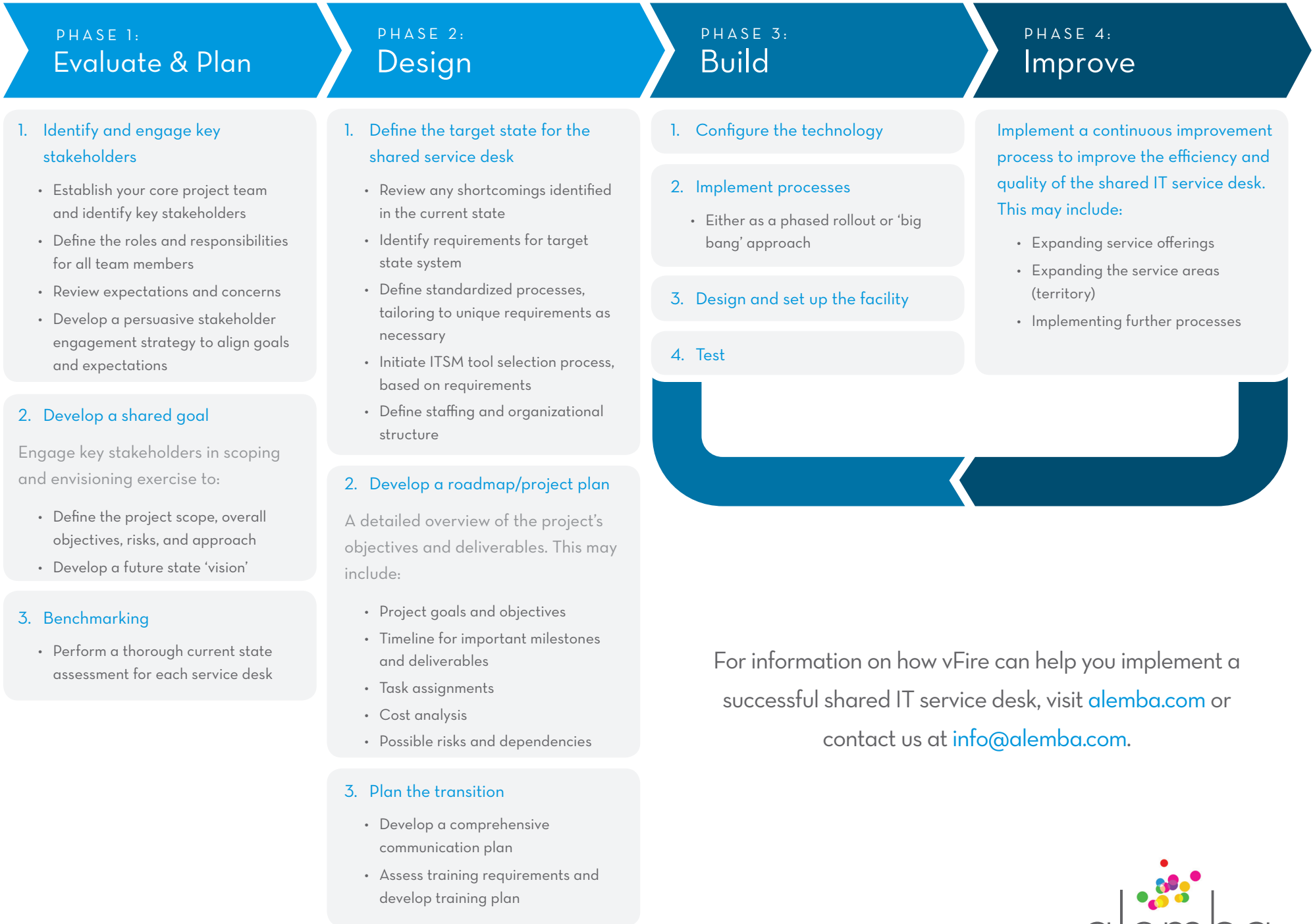
- Fear of losing autonomy and resources
- The perception that consolidation will undermine localized service delivery support
- A lack of trust between departments or organizations
- The perception that a shared services initiative may lead to job losses

In order to overcome organizational resistance to change, it is essential to engage key stakeholders from the outset. Garner support by addressing any concerns that may be contributing to internal resistance and putting in place a comprehensive communication plan to ensure visibility of project goals and progress. Encouraging key personnel to become actively involved in scoping and envisioning exercises will help you to pave the way to a successful collaboration.

## Implementing a service desk consolidation strategy

Alemba recommends the following high-level approach to developing a successful service desk consolidation strategy.





For information on how vFire can help you implement a successful shared IT service desk, visit [alemba.com](http://alemba.com) or contact us at [info@alemba.com](mailto:info@alemba.com).

