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Metric of the Month: Technician Utilization for Desktop Support

By Jeff Rumburg

Every month, in the Industry Insider, I highlight one key performance indicator (KPI) for the service desk or desktop support. I define the KPI, provide recent benchmarking data for the metric, and discuss key correlations and cause/effect relationships for the metric. The purpose of the column is to familiarize you with the KPIs that really matter to your support organization, and to provide actionable insight on how to leverage these KPIs to improve your performance.

Technician Utilization for Desktop Support

One goal of every business is to achieve the highest possible quality at the lowest possible cost. It stands to reason, therefore, that cost and quality should be measured on an ongoing basis. In fact, many would argue that cost and quality are the only two things that really matter in a service and support organization. In past articles, I have discussed the importance of using metrics as a diagnostic tool to improve performance. So, we have to ask ourselves, if cost per ticket is one of the foundation metrics for desktop support, how can we affect it? How can we improve it? What are the primary levers we have to manage cost?

Desktop support is a labor-intensive function. Technician salaries and benefits make up more than 60 percent of all costs for the average desktop support group. And when you consider the salaries and benefits for nontechnicians—supervisors, team leads, QA/QC, trainers, and workforce schedulers—approximately 74 percent of all desktop support costs are personnel-related, as shown in Figure 1. Labor productivity is therefore the biggest lever we have to manage and control desktop support costs.

The best measure of labor productivity in desktop support is technician utilization. Because technician salaries and benefits represent more than 60 percent of all desktop support costs, if technician utilization is high, cost per ticket will be correspondingly lower. Conversely, when technician utilization is low, technician costs, and hence cost per ticket, will be correspondingly higher. This is illustrated in Figure 2.

Figure 1: Expense Breakdown for Desktop Support

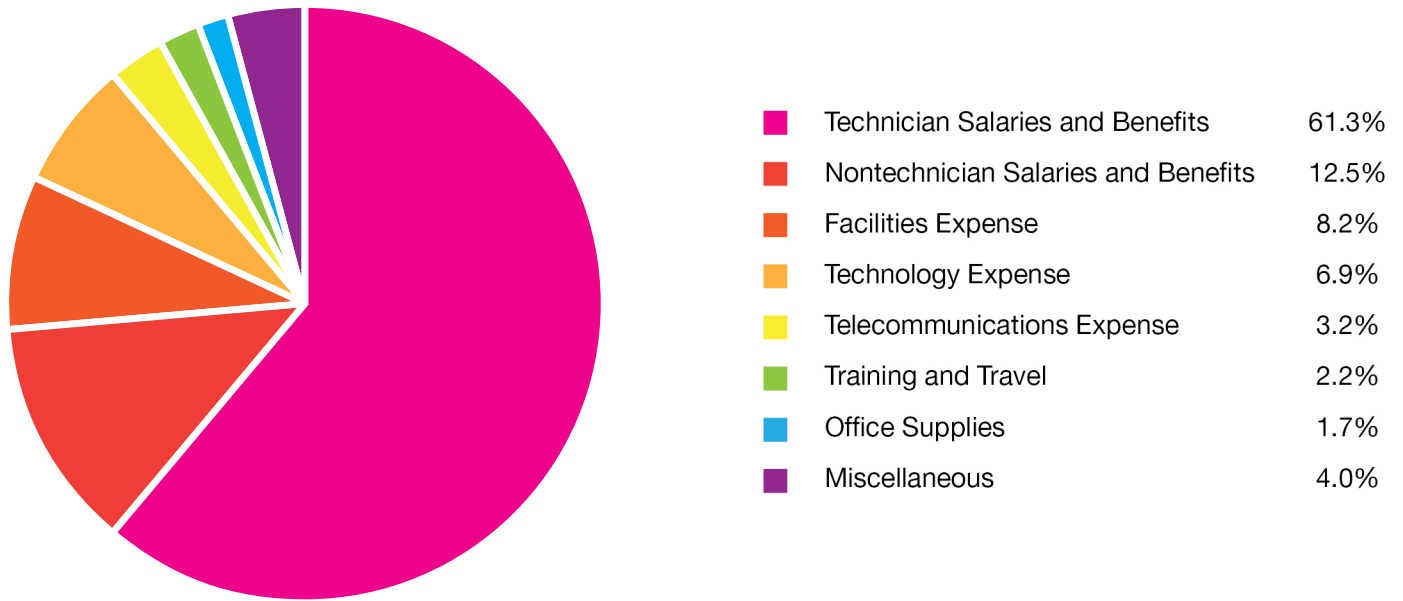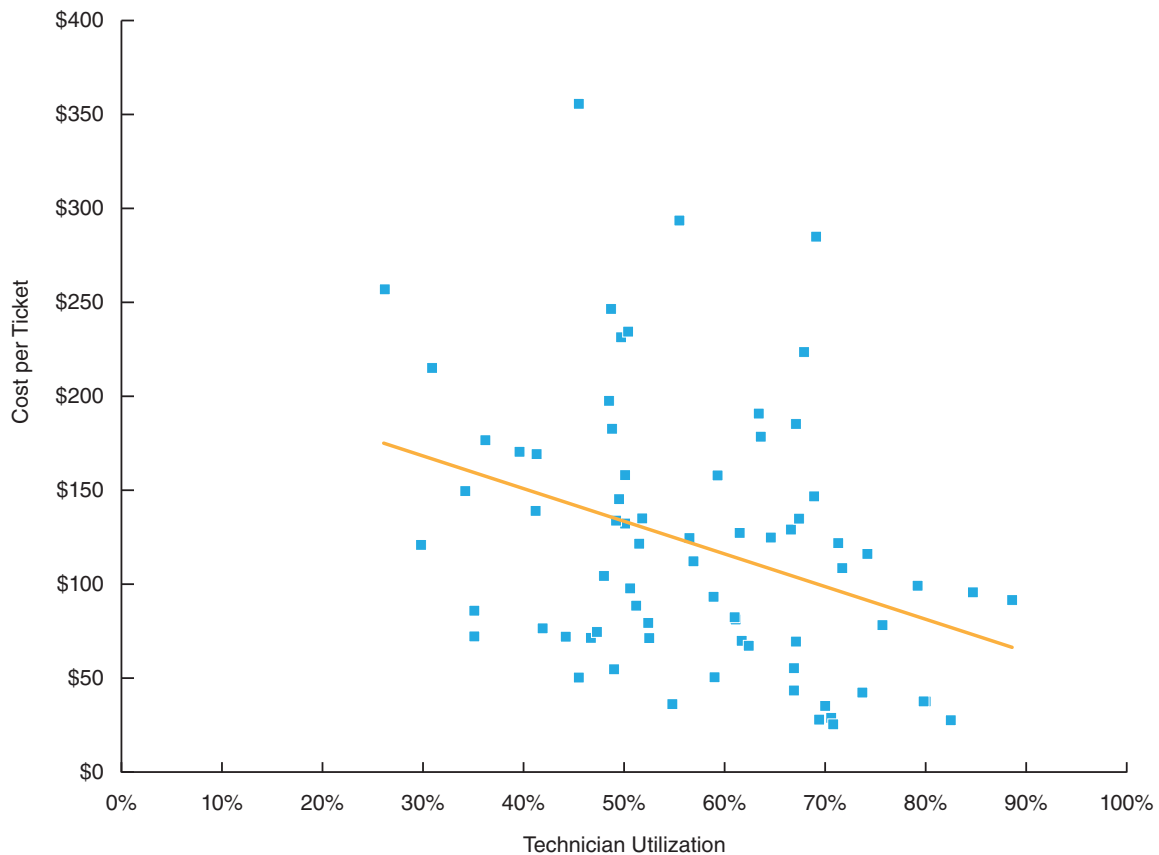|		
■	Technician Salaries and Benefits	61.3%
■	Nontechnician Salaries and Benefits	12.5%
■	Facilities Expense	8.2%
■	Technology Expense	6.9%
■	Telecommunications Expense	3.2%
■	Training and Travel	2.2%
■	Office Supplies	1.7%
■	Miscellaneous	4.0%

Figure 2: Technician Utilization vs. Cost per Ticket

Just as world-class desktop support groups are obsessive about maintaining high customer satisfaction levels, they are equally committed to keeping their costs in check. They do this primarily by maintaining tight control over technician utilization. This has the effect of helping to minimize cost per ticket as illustrated above. Keep in mind, however, that other factors besides technician utilization will have an impact on the cost per ticket. Chief among these is travel time per ticket, which can be quite high when supporting a customer base that is geographically dispersed.

The formula for determining technician utilization is somewhat complicated. It factors in the hours in a work day, break times, vacation and sick days, training time, and a number of other factors. But there is an easy way to approximate technician utilization without going to so much trouble:

$$\text{Technician Utilization} = \frac{\begin{array}{l}[(\text{Average number of incidents handled by a technican in a month}) \times (\text{Average incident work time})] + \\ [(\text{Average number of service requests handled by a technician in a month}) \times (\text{Average service work time})] + \\ [(\text{Average number of tickets handled by a technician in a month}) \times (\text{Average travel time per ticket})]\end{array}}{(\text{Average number of days worked in a month}) \times (\text{Number of hours worked in a day}) \times (60 \text{ min/hr})}$$

Let's say, for example, that the technicians in a particular desktop support group handle an average of 60 incidents and 24 service requests per month. Let's further assume that the average handle time for incidents is 32 minutes, and the average handle time for service requests is 59 minutes. Let's also assume an average travel time per ticket of 41 minutes. Additionally, these technicians work an average of 21.5 days per month, and their work day is 7.5 hours after subtracting lunch and break times. The simplified utilization formula above would work out to the following:

$$\frac{\begin{array}{l}[(60 \text{ incidents per month}) \times (32 \text{ minutes})] + \\ [(24 \text{ service requests per month}) \times (59 \text{ minutes})] + \\ [(84 \text{ tickets per month}) \times (41 \text{ minutes})]\end{array}}{(21.5 \text{ working days per month}) \times (7.5 \text{ work hours per day}) \times (60 \text{ min/hr})} = \mathbf{70\%}$$

Once again, this is not a perfect measure of technician utilization, but it is quick and easy, and gets you within five percent of the true technician utilization figure.

Benchmarking Data for Technician Utilization

MetricNet's benchmarking database shows that the average technician utilization for desktop support groups worldwide is about 57 percent. This number varies widely, however, from a low of 26 percent to a high of 89 percent. Those at the low end of this range tend to be smaller organizations that are unable to achieve economies of scale, or desktop support groups that must overstaff to meet very aggressive service levels for response time. Those at the high end of this range tend to be larger organizations that have good scale economies and can schedule their desktop support technicians very efficiently.

Figure 3 shows the distribution of technician utilization for a representative cross-section of desktop support groups worldwide.

Figure 3: Benchmarking Statistics for Desktop Support Technician Utilization

Average	57.3%
Maximum	88.6%
Minimum	26.2%
Median	56.7%
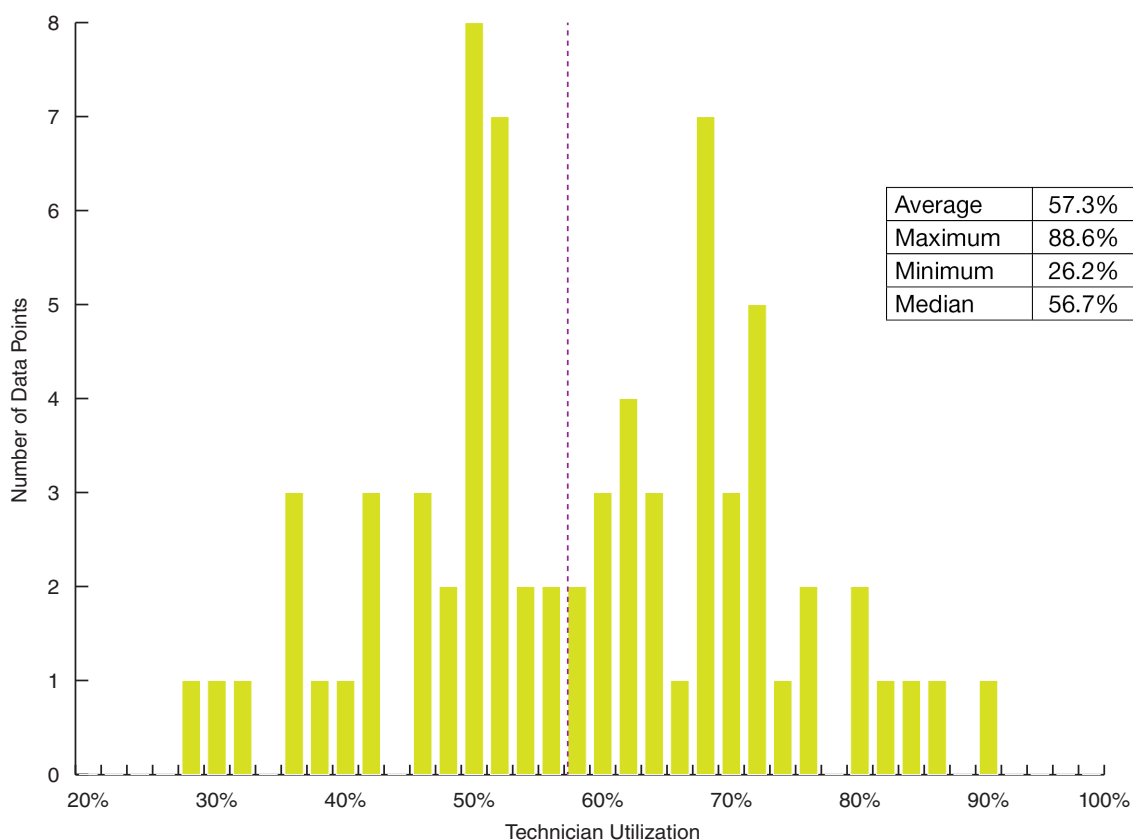
Please join us for next month's Metric of the Month, **the desktop support balanced scorecard**, a straightforward approach for measuring the overall performance for desktop support.

Jeff Rumburg is a managing partner and cofounder of MetricNet, LLC, the leading source of service desk and desktop support benchmarks for IT service professionals worldwide.