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AUTOTASK WHITE PAPER

# Service Level Management

Why Service Level Management is Mission Critical for all IT Service Providers

WRITTEN BY

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Introduction – It’s all about expectations.....2

Who needs Service Level Management tools? .....2

The Importance of Service and Performance Metrics .....3

What needs to be measured.....3

Making the most of Service Level Management tools .....4

Service Level Management with Autotask.....5

About the Author.....7

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## Introduction – It's all about expectations

At the heart of almost every business relationship are expectations . . . expectations that have to be set, managed and met or exceeded. When it comes to IT Services, your clients' expectations are going to revolve around the specific services you are delivering and the promises or claims that you make related to them.

Service Level Management is the process of setting benchmarks for service level performance, measuring that performance and ensuring compliance with your service goals and your customers' expectations. An effective Service Level Management system will not only ensure that your key targets for service success - response times, resolution plans and resolutions - are being met, it will also offer a process for expediting issues and tickets when your metrics are at risk of not being met.

### With an effective Service Level Management program, IT Service Providers can:

- Improve service delivery and client satisfaction
- Meet internal service delivery goals
- Manage, analyze and report on performance metrics
- Differentiate themselves from the competition and capture more business

## Who needs Service Level Management tools?

A robust Service Level Management program is becoming increasingly important to IT Service Providers at every level. Once the domain of providers offering formal Service Level Agreements (SLAs), an increasing number of service providers – from break-fix to “pure-play” Managed Service Providers – have found that integrating a comprehensive Service Level Management program streamlines operations and ensures that performance goals are met.

### Here are some examples:

- If you provide break-fix services, by setting measurable internal benchmarks for service delivery, you will make more effective use of tech time and ensure that key strategic accounts receive top-level service.
- If you are adding Managed Services to your IT service portfolio, having a Service Level Management program in place allows you to actively set, track and report Key Performance Indicators – a big competitive advantage.

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- If you are already offering Service Level Agreements (SLAs) to your clients, you will be able to attach specific service level guarantees to each ticket, defined by its priority, issue type and sub-issue type; auto-escalate the ticket as the goal deadline approaches and quickly report on compliance in real time.

## The Importance of Service and Performance Metrics

Service and performance metrics are used to quantitatively and periodically measure and assess the level of service you provide. For example, a service desk supervisor looking to improve an organization's response time to customer issues needs to know what the current level of service is before they can identify strategies for improvement.

### Some questions you might need answers to are:

- What is the current level of service we provide to customers?
- What are the different types of issues we receive calls on?
- What is our turnaround time on critical issues?
- What is our turnaround time on low-priority but potentially high-profile areas like on boarding new employee?
- What are our current goals for how quickly we deal with customer issues and how does our actual performance measure up?

Finding the answers to these questions isn't always easy, but when you have them, you can develop process improvements that will increase customer satisfaction and return business, and build a reputation that precedes you.

## What needs to be measured?

At the heart of any effective Service Level Management program is the definition and measurement over time of several Key Performance Indicators (KPIs), including:

- **Response Time**  
How long does it take to respond to an incident, such as a call from a customer, an email or an alert from a remote monitoring system that reveals a service or device may not be performing as expected?
- **Resolution Plan**  
How long does it take from the initial notification and response to formulate a plan to resolve the incident?
- **Resolution Time**  
How long did it take from the initial notification and response to actually implement the plan and restore service to normal levels?

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By definition, many of the services offered by IT Service Providers are *mission critical* to the success of their clients' businesses. Therefore, each of these KPIs is important because they represent the vital points where the performance of your company is measured against the expectations of your client.

**Response Time** is important because the client needs to know that you have heard their requests for help or service and are prepared to act on their behalf. Most successful IT Service Providers believe that it is a bad practice to rush ahead with the resolution to a problem without first responding to the client and recognizing the need. Without that initial response, clients can quickly become frustrated for lack of interaction and information.

An effective Service Level Management system will include automated alerts for incoming client notices and escalation protocols to help speed response time.

**The Resolution Plan** is particularly important in situations where the technical staff has identified the solution to a reported problem but are unable to execute the plan immediately (for example, for lack of parts, planned downtime, limited after-hours access, etc.). In cases where final resolution of a ticket is temporarily delayed, the ability to quickly and accurately provide clients with a resolution plan will proactively manage their expectations and understanding of the solution, and increase their overall satisfaction with your service.

**Resolution Time** is ultimately the client's most important metric for evaluating your service delivery and performance levels because it quantifies the elapsed time from the initial notification of the incident until it is successfully closed or resolved. When all is said and done, the client's primary goal is to have IT problems solved and service restored as quickly and efficiently as possible to limit any adverse effect on their own core business processes.

Service Level Management systems will allow you easily create protocols and benchmarks for response time, resolution plan and final resolution for each client, regardless of the size or complexity of their business. Without the ability to measure and report on these KPIs, IT Service Providers have no objective way to know how well they are performing with regard to Service Level Management. More importantly, neither does the client.

## **Making the most of Service Level Management tools**

### **Best-In-Class Programs**

Service Level Management is such a critical part of your service delivery, it has moved from "nice to have" status to a "must have" requirement for IT service providers. And, by its very nature it needs to be completely integrated into your professional services automation software.

When evaluating software to run your IT service business, you will want to make sure that it incorporates a best-in-class solution that supports your Service Level Management requirements – whether that means supporting internal service level performance goals or ensuring compliance with formal SLAs.

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### Here are a few of the critical components to be sure to look for:

- **Granular Control of KPIs**

The most effective and efficient tools will provide you with complete, granular control over defining the specific parameters you want to measure as part of your service level terms and agreements. In particular, you should look for an application that gives you the flexibility to establish different response time targets based on priority levels, issue types and sub-issue types and lets you establish custom business hours for different clients who may be on different plans or in different locations. All of these capabilities are 'must haves' for any service provider that wants to implement efficient internal processes and meet client expectations.

- **Information Technology Infrastructure Library (ITIL)**

A robust Service Level Management tool is essential if you are building your IT services business based upon the ITIL best practice framework – an important industry standard. With the right Service Level Management tool, you can define, track and measure IT service level performance for each individual customer and contract.

- **Integration with Current Business Processes**

The best Service Level Management tools will integrate seamlessly with your existing business processes and allow service tickets to be tracked against specific SLAs and automatically updated with response and resolution times. You should be able to configure the software to automatically notify technicians and management at pre-defined intervals before service level targets are missed and escalate incidents as needed to make sure expectations are met.

- **Comprehensive Reporting**

Finally, the best Service Level Management tools will include built-in service level reports for internal use and for external presentation. They will also allow you to create custom reports based on the KPIs that you define.

The ability to generate comprehensive reports will help you more fully understand your own internal performance metrics, review your compliance with existing SLAs and document and demonstrate your value to the customer. The reports can also be effective in making vendors and other strategic partners aware of your organizational capabilities and exhibiting your ability to provide high-level support to their products deployed at your clients' locations.

## Service Level Management with Autotask

In the rapidly evolving world of IT services, many companies are quickly adopting Service Level Management programs to increase customer satisfaction levels, differentiate themselves from the competition and win more business. Whether your interest is in establishing and measuring internal performance metrics or capturing and managing more managed service business, an effective Service Level Management program can be a critical part of your future success.

One of the most advanced and most affordable Service Level Management tools is completely integrated into Autotask, the best-in-class IT Services Management solution used by nearly 25,000 IT service professionals.

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Some solution providers use Autotask to manage formal Service Level Agreements (SLAs), while a majority of them use it to ensure key accounts are always taken care of. Service Level Management lets you quickly and easily define, monitor and measure service performance metrics by priority, issue and sub-issue types and create a process for automatically generating and escalating notices when they're at risk of not being met.

**By using Autotask for your Service Level Management program you will be able to:**

- **Define key performance indicators (KPIs) by client**  
Easily define and monitor critical KPIs including response time, resolution plan and final resolution.
- **Set performance targets by priority, issue and sub-issue**  
Better manage your workflow and resources by setting response time based on priority, issue type and sub-issue type.
- **Customize service levels by business hours and after-hours support**  
Refine service levels by business hours, 24 hour and extended after-hours for individual clients.
- **Define workflow and escalation rules**  
Set due dates and time requirements according to specific resolution targets. Workflow engine rules will escalate at-risk items and notify you to ensure the resolution targets are met.
- **Integrate service tickets seamlessly**  
Track performance targets across your entire company, against specific client accounts, for different SLA contracts or on individual tickets.
- **Prioritize service targets in ticket search grids**  
Easily review and prioritize service tickets by Service Level Management rules and approaching deadlines.
- **Create custom LiveReports**  
Report on Service Level Management compliance and service ticket performance, it allows you to create custom client reports to analyze key performance indicators and continually improve their business.

Autotask Service Level Management is fully integrated within Autotask Pro and Autotask Go! and is included at no additional charge.

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## About the Author



**Len DiCostanzo** —  
Senior VP, Dean of Autotask Academy

As the Dean of Autotask Academy, Len DiCostanzo is responsible for designing and delivering a series of service offerings to enhance the overall Autotask customer experience. Services range from customized implementation and training programs, to on-going business optimizing training, to best practice business and technical guidance curriculums, to onsite and remote consulting engagements and system integration solutions.

Len is a widely-recognized figure in the IT industry, and brings to Autotask Corporation 25 years of experience as a business technology solution provider in the channel. Len's business bloomed into a full service solution provider, specializing in custom applications and technology infrastructure solutions. In the late 1990's, Len's company was one of the first solution providers to develop a recurring service business model, delivering scheduled, consistent IT services in support of business operations.

Since that time, Len has focused his efforts on creating documentation, curricula, and training materials to help transfer his extensive industry business knowledge to other solution providers. As part of this effort, Len has consulted on many successful MSP business transformation projects, working individually with solution providers to make the transition from a break/fix service model to one generating sustainable and predictable recurring revenue. He has also taught -- and learned from -- hundreds of MSPs through personally-conducted online and in-person classes, seminars and workshops delivered around the globe.

### About Autotask Corporation

Autotask Corporation is the leading provider of innovative, web-based business management software and services designed exclusively for IT Service Providers, MSPs, IT Consultants, Systems Integrators and other technology solution providers. Accessible at any time without any downloads via any PC or mobile device with internet access, Autotask software helps IT professionals of all sizes to intuitively manage and automate their key service delivery and business operations. The software includes free and seamless integration with most managed service automation tools. For more information on Autotask please visit <http://www.autotask.com> or call 518-720-3500.