Chapter 14: First Contact Resolution (FCR) Improvement Worksheet

This Help Desk improvement checklist worksheet is intended to be used in conjunction with the related chapter in the Help Desk Management Book by Wayne Schlicht.

Goal

Improve the First Contact Resolution (FCR) rate of 10 high-volume customer issues that are currently experiencing low FCR rates.

Benefits

- Improved FCR rates
- Reduce cost per ticket

Prerequisites

Before implementing first contact resolution improvements, the following information should be gathered or understood.

Every resolved ticket has an FCR status – Our analysis will be focused on tickets not resolved on the first contact. If the FCR status by ticket is not exportable to our working spreadsheet, then we can manually perform this in the spreadsheet. We will discuss the manual process later in the worksheet.

Determine the average hourly rate for Help Desk agents – The Help Desk average hourly rate will be used when comparing the staffing costs between tickets resolved and not resolved on the first contact. To find the average Help Desk agent hourly rate, take the sum of all rates, and divide it by the number of staff.

Determined the average hourly rate for escalation groups - The escalation group average hourly rate will be used when comparing the staffing costs between tickets resolved and not resolved on the first contact. To find the average escalation group hourly rate, take the sum of all rates, and divide it by the number of staff. The basic escalation group rate is just one average hourly rate for all groups. These escalation groups may include developers, engineers, and administrators. Putting everyone into one group to find an average hourly rate is probably the best way to start. In the future, you can get more granular by calculating a per escalation group average hourly rate.

Time spent working on resolving a ticket – For our analysis, we need to know how long the Help Desk and escalation groups spent on the resolution of the incident. This data varies greatly between companies and their ticket handling processes. The ideal situation is for the Help Desk agent and escalation group members will enter a value of how much time they spent working on

each ticket. If this information is not available or accurate, then you can create a time spent formula to use on all the ticket data. The formula most helpful is the following.

- **Time Spent on tickets not resolved on the first contact**
- **Help Desk time spent** - Difference between the time the ticket was created and the time the ticket was escalated.
- **Escalation group time spent** - Difference between the time an escalation resource was assigned to the ticket and the time the ticket was resolved.

Step 1 - Perform a query for all tickets resolved in the last six months.

Be sure the query parameters include capturing the below ticket data field attributes. If not all attributes are available, we will show you how to collect alternative data in later steps. This may help you find a workaround or another data field to export in its place.

Ticket Data Fields

- Ticket number
- Ticket created by name or ID
- Ticket resolved by name or ID
- Ticket classification type
- First Contact Resolution (FCR) status
- The escalation group name.
- The work start time for the escalation group and when they started to work on the issue.
- Time spent working on the ticket by user or group
- Ticket created time and date
- Ticket escalation time and date
- Ticket resolution time and date

Step 2 – Export the data into a spreadsheet.

Export the data out of your ticketing application or repository. Working in a spreadsheet will allow you to perform pivot tables, sorting, grouping, and filtering as needed.

Step 3 – Validate you have a populated column displaying the resolved on first contact status as true or false.

If you do not have the FCR status automatically identified by the ticketing application, you can use the following method.

FCR determination option – For each ticket row, note FCR as true if it meets the following criteria. The username or ID is the same for the *ticket created by* and *ticket resolved by* fields, AND the duration between *ticket created time* and *ticket resolved time* fields are 1 hour or less. If the ticket does not meet the criteria, then note FCR as false.

Step 4 – Filter your spreadsheet to display only tickets where the FCR status is false.

In this step, we want to focus on tickets where the FCR status is false. The FCR false tickets are the targets for FCR improvement.

Step 5 - Create the following new columns in your spreadsheet

- **Help Desk labor cost**
- **Escalation group labor cost**
- **Total labor cost for tickets with FCR as false**
- **FCR labor cost savings**

Step 6 – Calculate the Help Desk labor cost per ticket.

Calculate the *Help Desk work time* in minutes by finding the difference between the *ticket created time* and *ticket escalated time* fields. Calculate what the average Help Desk rate is per minute. Then multiply the Help Desk work time in minutes by the Help Desk average rate per minute.

For example, the Help Desk's average rate per minute is $0.333 (equals $20 per hour), and the Help Desk's work time was 30 minutes. The total cost of the Help Desk resource working the ticket would be $9.99.

Step 7 – Calculate the escalation group labor cost per ticket.

To calculate the cost, start by figuring out how many minutes the escalation group worked on the ticket. The *work in progress* time is the difference between the *escalation group start work time* and the *ticket resolved time.* Then multiply that time in minutes by the rate of pay per minute of the escalation group.

In our example, the escalation group's average rate of pay is $0.833 per minute ($50 per hour), and the difference between the *escalation group's start work time* and *ticket resolved time* was 30 minutes. The escalation group cost would be $24.99.

Step 8 – Calculate the total labor cost for tickets with FCR as false.

To calculate the total cost for tickets with FCR as false, add the Help Desk cost ($9.99) and the escalation group cost ($24.99). Using our example, the total cost for tickets with FCR as false is $34.98.

Step 9 – Calculate the FCR labor cost savings.

This would be the cost savings if the ticket did not have to be escalated.

Option 1 - The conservative time estimate scenario for FCR cost would be the Help Desk time worked plus the escalation group time worked multiplied by the Help Desk average rate. For our example this would be ((30 min + 30 min) X $0.333 per minute) = $19.98. **The FCR labor cost savings would be $15 ($34.98 - $19.98).**

Option 2 - You could also use the Help Desk labor cost as the cost of an FCR true ticket. For our example this would be ((30 min X $0.333 per minute) = $9.99. **The FCR labor cost savings would be $24.99 ($34.98 - $9.99).**

Either way, using option one or option two, there is a significant amount of savings to be had by improving the FCR rate.

Step 10 - Perform the calculations on the spreadsheet.

If you have not done so already, complete the previous steps on the remaining tickets. Update the appropriate columns with the information. These steps include the following.

1. Calculate the Help Desk labor cost per ticket
2. Calculate the escalation group labor cost per ticket
3. Calculate the total labor cost for tickets with FCR as false
4. Calculate the FCR labor cost savings

Targeting your FCR improvement project

Many managers will look at the FCR cost savings total and realize that there are huge cost savings to be had. In this section of the first contact resolution improvement worksheet, we will present you with a way to prioritize those improvement efforts. To determine which categories to focus our improvement effort towards, we will group the tickets with FCR as false by classification type. Then we will find the average cost savings. We will use this information to make some decisions.

Step 1 – Group data by ticket classification type.

Grouping your tickets with FCR as false by ticket classification type will provide some very useful information. I suggest using a pivot table and grouping your ticket data by your tier 2 or tier 3 ticket categories.

Step 2 - Average the costs by ticket category.

Some ticket category groupings may have hundreds of tickets. The cost per ticket may vary with the duration the ticket has been open and worked. Finding the average cost per group will give you more accurate cost information. For each ticket category group, have your pivot table show you the average Help Desk labor cost, escalation group labor cost, cost of the tickets with FCR as false, and FCR labor cost savings.

Step 3 – Determine the volume of tickets by category

This step is important. If you have a ticket category with significant average FCR cost savings, but there are only 1 of those tickets in 6 months, it may not be the highest priority to fix. Identify the ticket categories with the highest volume of tickets.

Step 4 – Select the top 10 categories for FCR improvement

In this step, you will determine the ten categories you will focus on first for the FCR improvement project. The selection of the top 10 should be based on significant volume and FCR total cost savings.

Step 5 – Create an improvement action plan

Now that you have identified the top 10 categories for FCR improvement, it is time to create an action plan project for each. Overall, the action plan will include meeting with the Help Desk and the escalation groups. These groups should figure out how the Help Desk can be empowered to perform the resolution actions the escalation group performed.

Step 6 – Measure your improvements

You have a baseline of your overall FCR and FCR by category. Continue to collect and measure monthly data to determine if you are improving. For the top 10 categories, you will start to see the Help Desk FCR rate increase. This means the lower-cost resources are resolving the issues without escalating to higher-cost groups.