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Social Networking Company Optimizes IT Customer Service with Outsourced Milestone Services

January 2017
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Introduction

One of Milestone's customers is a social networking company that has branched out into a number of ancillary businesses. The company has a high level of contingent contract workers.

Milestone has played an important role in the social networking company's IT operations. Milestone is a turnkey managed services provider (MSP) with more than 1,700 employees. Its client base consists of over 200 companies in several different countries. Milestone offers managed IT services with the goal of providing reduced costs and increased efficiencies for enterprises.

Milestone has partnered with the company for over six years. Milestone originally started providing support in help desk services but has expanded the role across the business both within IT and outside of IT.

In addition to help desk support, it provides data center support and consulting services involving analytics, enterprise network services, event services, and AV/VC services that involve providing contingent workers sourced globally from Asia/Pacific, Europe, and the Americas.

This IDC Customer Spotlight reviews and analyzes the benefits realized by the social networking company through its relationship with Milestone and discusses the implementation process that achieved those benefits.

Solution Snapshot

Organization: Social networking company

Operational Challenge: Provide help desk support, data center support, and consulting services involving analytics, event services, and AV/VC services

Solution: Partnering with Milestone has enabled the customer to provide quality support services in a way that meets the company's sometimes very demanding culture.

Project Overview and Implementation

The social networking company engages in a significant amount of outsourcing in its business model. It avoids the burden of specifically managing services to which it doesn't want to allocate full-time headcount and garnering expertise that's better done by outside organizations. The company has a cultural baseline that fosters expectations for high levels of customized service, and this can present significant challenges.

A number of different steps were used to implement a managed help desk service working with Milestone. The customer worked to make sure that the culture of the employees sourced was aligned with its own culture. Because the relationship is long term in nature, the customer team felt that Milestone understood those requirements.

According to the customer, Milestone has worked to continually drive efficiencies and onboard new services without major impacts to the cost structure. The physical aspects of services (i.e., what regions they're being supplied in) had to be established through iterative growth and approaches.

The customer's sources indicate that they have partnered with Milestone to find creative ways to fit into a standard managed service implementation. A three-tiered structure doesn't really apply to the way services are delivered because certain tasks are more complex than others. The customer has a fairly flat support definition with simple accessories being supplied at one rate and all other tasks being supplied at another rate. It indicates that Milestone has been very transparent with its fee and cost structure.

Business Challenges

The social networking company faced several challenges with implementing Milestone's managed services:

- **Cultural expectations.** The company has a mission-focused culture. Milestone had to understand the requirements related to bringing a new employee onboard. Bringing in high-quality employees is difficult, so Milestone had to provide the training, skills, and expectations needed to fit the customer's company culture.

- **Operational challenges.** The high expectations for implementing a managed help desk service presented a number of corresponding challenges. The cultural expectations of the customer have to coincide with service-level agreements (SLAs). For instance, while Milestone was paid transactionally based on tasks, the social networking company's system was homegrown internally for task management. The type of remuneration provided to Milestone is tiered in such a way that tasks that are ancillary to core tasks are not compensated. Challenges around defining the standard billing and transactional aspects were surmounted with various innovations on the part of Milestone.

- **Meeting customer demands.** One challenge that any provider has experienced is the evolving technology landscape. The social networking company's customers are becoming more tech savvy. For example, millennials are more comfortable with technology. As a result, support for such customers has to be structured differently and must be flexible enough to change over time. Milestone is in a good position to consistently make necessary changes in response to customer demands as a result of its IT expertise and its defined SLAs.

- **Scalability.** The ability to scale operationally is a challenge for rapidly growing companies. Social networking companies need to be fully prepared for the rapid growth that accompanies ever-evolving technology. The customer's high growth year over year has required Milestone's support services to scale and adapt quickly to the radical changes experienced over the past five to six years. In addition, automation is key to the ability to scale.

Key Business Benefits

The customer derived a number of key benefits from the relationship compared with services provided by other companies that bid for the work. In doing the competitive evaluation, the company found other bidders to be somewhat formulaic and geared toward providing a level of service in their own way. It felt that some of these MSPs employed a fairly rigid process for understanding and adjusting to the specifics of onboarding and transitional services. The customer also judged that these attributes were reflected in the expected financial agreements that tended to be very specific around measuring and executing but with certain constraints based on the SLA structure offered.

By partnering with Milestone, the customer has experienced key benefits to its organization and operational efficiencies:

■ **Enhanced service quality.** Partnering with Milestone has enabled the customer to provide quality support services in a way that meets its sometimes very demanding culture. For example, when new hires come into the company, the expectation as defined by the SLA is that they're productive on day one. The level of service provided by Milestone has been designed to be very flexible in order to supply SLAs not typically seen with other standard service providers.

■ **Automation.** Milestone offers the ability to provide automation for time-consuming, repetitive tasks. By partnering with Milestone, the customer has been able to drive automation, thereby providing benefits from a cost perspective. Milestone drives levels of efficiency through SLAs matched specifically to the customer's needs.

■ **Enhanced skills and experience.** Milestone has worked to understand the high standards that employees are required to have in supporting the customer. The company offers an important capability for helping the customer find talent regionally and globally. Milestone provides the boot camp and support training to meet the customer's expectation that 82% of incidents are closed with a tier 1 support structure without having to move to other tier levels. This is supported because Milestone provides employees with a rigorous training methodology.

The customer has partnered closely with Milestone to deliver standard IT support services with good results. For instance, currently the first call resolution rate is over 75%. If employees can't get a piece of gear internally within 24 hours, they have the ability to purchase it themselves. This places a high level of performance expectation on IT support.

The customer was looking for a company that was very good at adjusting and innovating based upon rapidly changing circumstances. It found that Milestone fit this criterion and was able to drive the requisite levels of efficiency. It also found that Milestone performed particular actions on the basis of being service responsive and not necessarily purely financially driven with respect to results. In addition, the company cited that another major benefit of the relationship was the level and type of staffing provided.

Methodology

The project and company information contained in this document was obtained from multiple sources, including information supplied by members of the customer's technical support team and its partners, questions posed by IDC directly to the customer's employees, relevant corporate documents, and publicly available information.