

Service Capability & Performance (SCP) Standards

INTRODUCTION & OVERVIEW

Professional Service Standard



Contents

Introduction	1
Who Should Participate?	1
How the Program Works	2
SCP Professional Service Standard	3
Customer Feedback	4
Service Delivery Processes	4
Performance Metrics	4
Employee Development	4
People Programs	5
Corporate Commitment and Strategy	5
Productivity Tools	5
Quality Management	5
Product Development and Support Interface	5
Sales Interface	6
Project Management	6
Financial Management	7
Resource Planning	7
Partner Management	7
SCP Testimonials	7
Program Features	8



The Service Capability & Performance (SCP) Professional Service Standard

Introduction

The Service Capability & Performance (SCP) Standards establish the industry-leading benchmark for service excellence. Developed through the joint efforts of approximately 50 leading services and support organizations from around the world and Service Strategies Corporation, the SCP Standards have enhanced the capabilities and performance of support, field, and professional services operations worldwide since 1998. Today, there are more than two hundred leading services and support organizations around the world leveraging SCP Standards to improve their business operations.

As the information technology marketplace continues its evolution, the challenges and demands placed on services and support organizations continue to increase. These include:

- Great demands on people, processes, and technology.
- Increased need for multiple service delivery channels.
- Dealing with more sophisticated customers.
- Ever-changing technology and complex product features.
- Competitive pressures of providing better, faster, cheaper service.

Along with these challenges, there is a growing emphasis on the quality and consistency of the services provided, which has a direct impact on customer loyalty and retention. SCP Standards provide a proven framework for evaluating the capability and performance of service operations and help companies ensure they are delivering the highest quality services to their customers.

The consortium that created the standards program included companies from across the Americas, Europe, and the Asia Pacific regions along with Service Strategies Corporation and Alexander Consulting. Each company added their insight and perspective into the requirements for delivering world class service and support. Each organization provided a unique viewpoint based on the type of service they deliver and the market segment in which they operate. The diversity of the services providers participating in the development process helped to create a standards program that meets the needs of a broad base of services and support providers across many industries, while capturing the fundamental requirements for delivering exceptional service.

Who Should Participate?

- **Companies Looking to Increase Efficiency and Productivity** — The SCP Standards focus on optimizing performance in a wide range of business process areas necessary to deliver top quality service and support. By enhancing performance in these areas, your organization will become more efficient and effective at meeting customer needs.

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- **Companies Looking to Maximize Financial Performance** — The SCP Standards create value by focusing your organization on results that directly affect financial performance, such as improvements in operational effectiveness and significant contributions to customer retention and acquisition efforts.
 - **Companies Looking to Achieve Global Consistency** — SCP Standards provide a catalyst to drive consistency throughout service and support organizations and across functional areas. Regardless of the size of your operation, SCP Standards can enhance operational performance, optimize business processes, and drive increased efficiency and productivity.
 - **Companies Looking to Integrate Industry Best Practices** — SCP Standards establish a community of companies committed to delivering exceptional service and support. The programs provide the framework and language for communication of best practices among participants and create a network of professionals actively engaged in driving higher levels of service within the marketplace.
 - **Companies Looking to Create a Competitive Advantage** — Participation in the SCP Standards provides an opportunity to demonstrate to clients, shareholders, investors, and prospects the commitment your company has made to service excellence. Certified organizations have the rights to use the SCP Certified logo in their marketing materials to help communicate the message.


How the Program Works

SCP Standards provide a framework for service improvement and help to enhance the capabilities and performance of services operations, while guiding their ongoing development. An organization can attain certification against the SCP Standards through successfully completing a certification audit of services operations.

The SCP manuals document the standards for support, field, and professional services operations. The manuals also include the detailed steps necessary to prepare for a certification audit, including the deliverables and performance requirements associated with each business element defined in the standard.

An organization will begin gaining value from the standards immediately. The included self-assessment tool helps an organization understand how they match up to the standards and provides an opportunity to align management perceptions about capabilities and performance as well as prioritize initial improvement efforts. Beyond the self-assessment phase, the organization will conduct a gap analysis of performance versus the standard and work to make improvements identified through the process.





Typically, an organization may spend approximately nine months implementing improvements before undergoing a certification audit against the SCP Standards. Conducted over a period of two to three days, the certification audit takes place at an appropriate service location. During this time, the auditor will provide feedback for each of the areas of the standards program reviewed. Formal audit results are presented in the form of a certification index. The numerical index provides an overall score for the operation and detailed ratings for each section within the SCP standard. Results are also mapped against the community of companies certified under the edition used to evaluate the services operation.

Once the certification audit is complete, a report is provided indicating whether the organization has attained certification. The report also provides valuable feedback on opportunities for improvement with the operation.

Should the organization not pass the certification audit on the first attempt, a follow-up audit will be scheduled approximately 90 days later to allow an opportunity to correct any deficiencies identified during the initial audit. To maintain certification under the SCP Standards, organizations need to be successfully re-audited annually in order to continue to display the “SCP Certified” logo. The overall process can be summarized as follows:

- Enroll your organization in the SCP Standards program.
- Complete the SCP Self-Assessment and meet with a program advisor.
- Conduct a gap analysis to identify specific improvement opportunities.
- Implement improvement efforts and prepare for an audit (typically takes 9 months).
- Pass the certification audit.
- Leverage audit results to identify continuous improvement opportunities.
- Recertify annually to ensure consistency.

Leveraging the SCP Standards helps companies improve the capability and performance of their services operations. Attaining certification against the standards lets customers know that the company is committed to service excellence and is willing to measure their performance against a global standard. It also sends a strong message to competitors that the company has invested in its operations and plans on using service as a competitive advantage.

Not every company will be capable of meeting the stringent requirements defined by the SCP Standards. However, those companies that believe service quality is integral to their success will take full advantage of the SCP Standards to enhance the capability and performance of their services operations and prove to their customers they are truly committed to delivering world-class service.

SCP Professional Service Standard

The SCP Professional Service Standard defines 14 major criteria required to operate a successful professional services organization. The criteria are then broken down into detailed business elements with specific measurable results. The outcome is a comprehensive checklist of major service factors used to determine the overall effectiveness of a professional services organization. Each business element includes:



- A definition of the business practice.
- The deliverables that should be presented during an audit.
- How the auditor will measure the element.
- The expected performance results required for compliance.

The criteria include:

- Customer Feedback
- Service Delivery Processes
- Performance Metrics
- Employee Development
- People Programs
- Corporate Commitment and Strategy
- Productivity Tools
- Quality Management
- Support and Product Development Interface
- Sales Interface
- Project Management
- Financial Management
- Resource Planning

A description of each criteria is included below.

Customer Feedback

Customer feedback involves all the activities associated with collecting, analyzing, and acting on feedback provided by the customer. Feedback from customers is a vital tool that the management team can use to drive change and improvement in their service delivery process.

Service Delivery Processes

Service delivery processes are the processes used to communicate with customers, manage projects, and handle other aspects of the customer relationship necessary to deliver high-quality service. Setting customer expectations and proactively communicating with customers are key aspects of managing these relationships.

Performance Metrics

Measuring performance is a key aspect of managing any professional services organization. Without quantitative measures for key performance indicators, it is difficult to determine how well an organization is meeting customer and business requirements. Professional services organizations should establish clear goals, and then track their performance against these goals. The PSP program includes specific measures unique to professional services organizations.

Employee Development

Employee development is a critical part of any professional services organization. Properly trained professional services personnel can have a significant impact on how customers perceive the quality of service



provided by a company. Properly trained staff members are more efficient and effective at completing service engagements. Therefore, managing the development of the services staff is critical to the success of the organization.

People Programs

People are the single largest resource in any professional services organization. The business of delivering services is all about people, and the professional services staff represents the product delivered by the company. Personnel costs also typically represent the single largest expense of most services organizations. It is critical that the staff feel they are contributing to the success of the company and that they are respected for the role they play within the organization. Professional services organizations must ensure that they have processes, procedures, and programs in place to effectively manage their personnel.

Corporate Commitment and Strategy

In today's competitive marketplace, it is critical that companies demonstrate a strong commitment to delivering the highest quality services to customers. In many instances, services can be the differentiator in the product purchasing decision. Therefore, companies must ensure that they provide the highest levels of service possible and maintain a strong commitment to satisfying their customers. The strength of commitment to deliver exceptional service must begin at the executive level.

Productivity Tools

Professional services organizations need automation and productivity tools to assist in delivering quality services to their customers while simultaneously keeping an eye on the bottom line. Productivity tools provide the necessary automation to streamline access to qualified services staff members and record critical customer and product information as well as accurately estimate the time and costs of services engagements. By defining organizational objectives and understanding how the technologies will be used within the professional services organization, the management staff can ensure they have a smooth and effective process for budgeting, acquiring, and implementing advanced productivity tools.

Quality Management

The quality of the services delivered by a company can significantly influence its ability to acquire and retain customers. Professional services organizations have become differentiators in the current marketplace. Companies need to implement processes and procedures that ensure that every customer engagement is a quality one that leaves the customer feeling good about the company they are dealing with. By implementing processes and procedures to monitor and improve service quality, companies can drive higher performance from the organization and generate greater customer loyalty.

Product Development and Support Interface

The relationship between professional services, support, and product development organizations are a key factor in the success of any technology company. The relationship should be one of open communication and provide for knowledge transfer between the three groups. By having clear lines of communication and strong working relationships between these three groups, identified issues can be addressed rapidly and changes can be incorporated into product updates or future releases.

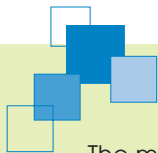


Sales Interface

The relationship between professional services and the sales organization is a key factor in the success of any company. Sales, services and support are typically the most customer facing organizations in a company. Since the sales organization sets the customer's initial expectations, it is critical they have a full understanding of the capabilities of the professional services organization. By having clear lines of communications and strong working relationships between these two organizations, customer expectations can be set properly.

Project Management

Project management addresses the methods and procedures used to manage services activities and engagements in a consistent and measurable manner. A project, implementation, or engagement is typically the first



Testimonials

The most powerful endorsement for the SCP Standards comes from those companies that have decided to participate. The participants represent leading technology companies from around the world who are truly committed to delivering the highest level of service possible for their customers.

"Industry observers call EMC Customer Services our secret weapon. We prefer to think of it as our customers' secret weapon. It's great to know that the SCP Standards program has ratified what our customers already know—that EMC consistently delivers the world's most effective, responsive customer support services."

Joseph M. Walton
Senior Vice President of Global Customer Service
EMC

"Achieving SCP Certification demonstrates our commitment to providing world-class customer support. Organizations that fully embrace the principles of the SCP program increase the value of their services and products as well as create an environment that nurtures the success of their employees."

Graham O. King
President
McKesson Information Technology Business

"The SCP Standard is not a rubber stamp that can simply be bought. It must be earned. Our customers know and trust that if we are SCP Certified, it means we're in the top of our field."

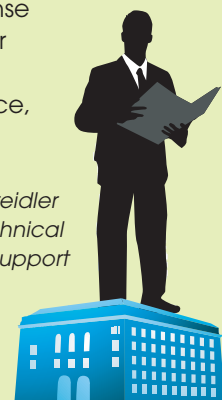
Barry Mainz
Vice President of Worldwide Customer Operations
Wind River Systems, Inc.


"By implementing SCP Standards, we now have a seamless support infrastructure at both the field level and at the response center level that will provide our customers with what they are expecting in the enterprise space, regardless of where they are located in the world."

Bill Kreidler
Senior Vice President, Technical
Operations and Support
FileNet Corporation

"We differentiate ourselves from our competition through the delivery of world-class service, and implementing the SCP Standard and achieving SCP certification validates this commitment to excellence."

John Rehl
Senior Vice President of Global Technical Services
DoubleClick Inc.





experience a customer has with the company's overall services delivery practices and establishes the framework for building a strong relationship moving forward. Professional services organizations should have clearly defined processes, goals, and objectives in place surrounding the project management process in order to ensure that performance targets are being met.

Financial Management

The professional services organization is considered both a net contributor to the operating costs of the company and a contributor to bottom-line profitability. It is important for the professional services organization to effectively manage the tangible fundamentals of cost, revenue, and profitability as well as less tangible elements such as customer satisfaction and loyalty. The professional services organization needs to examine each one of these profit contributors and ensure that effective management processes and performance indicators are in place.

Resource Planning

The professional services organization should have the means to plan, forecast, and create resource models to determine staffing, systems, and facility requirements to meet current and future services demand. The largest investment for most any professional services organization is the labor pool, with systems and facilities demand increasing proportionately to growth of the labor pool. A proper balance must be maintained between practicing cost management and having the right resources available at the right time in order to deliver service at a desired level. The key to maintaining this balance is in the planning and forecasting practices utilized by the professional services organization.


Partner Management

The professional services organization routinely depends on outside vendors and partners to carry out services activities and projects. Whatever the extent of a partner relationship, the professional services organization should have processes and programs in place to effectively set the expectations of the partner, manage the relationship, and monitor the partner performance during the course of services engagements. Managing partners to services delivery guidelines and performance targets helps provide a consistent service experience for the customer.

Program Features

SCP is more than a simple quality program. It establishes a community of companies that are committed to delivering exceptional services and support to their customers. The program provides the framework and language for communication of best practices among participants and creates a network of professionals actively engaged in delivering the highest quality of service possible. Several features are included with the program to assist companies in driving improvements in their organizations and benchmarking performance against the SCP community.

- **Independent Audit of Service Quality** — Participating organizations have the opportunity to undergo an independent audit of their operations annually to ensure they are meeting the stringent requirements defined in the SCP Standards.

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- **Industry Benchmarking** — The unique evaluation process used to measure performance enables benchmarking among certified organizations for all business factors defined in the programs.
 - **Best Practice Sharing** — Participants in the SCP Standards program have access to best practices used within the community through online best practice examples, best practice showcase events held around the world, and by networking with peers in the industry. The best practice sharing helps to enhance performance and leverage the experiences of industry-leading organizations.
 - **Insider Newsletter** — The *Insider* newsletter helps keep SCP Standards program participants up to date on what's happening in the community. The monthly newsletter includes information on upcoming events, newly submitted best practice examples, articles, and other valuable information.
 - **Member Web Site** — SCP Standards participants have access to a member Web site dedicated to providing information and best practices to the standards community.



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