



5 Tips for Mastering Multisourcing



Multisourcing is spurring IT success.

The rapid development of cloud and networking technology has made it increasingly easy and cost-effective to outsource certain IT services to external providers.

And the multisourcing approach—or engaging many providers to handle different services—is helping IT teams increase their impact on the organization’s success.

As providers continue to specialize and develop new capabilities, you can offload more operations and diversify your service ecosystem, enabling you to:



Select from the leading providers so you always benefit from the latest technology and best practices.



Automate service processes to speed up resolution and avoid the errors of manual processing.



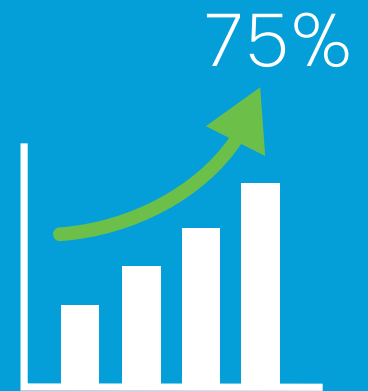
Save money and time over handling these services in-house.



Focus your IT resources on important strategic initiatives that drive primary business objectives.



Avoid the risk of getting locked in with a single service provider.

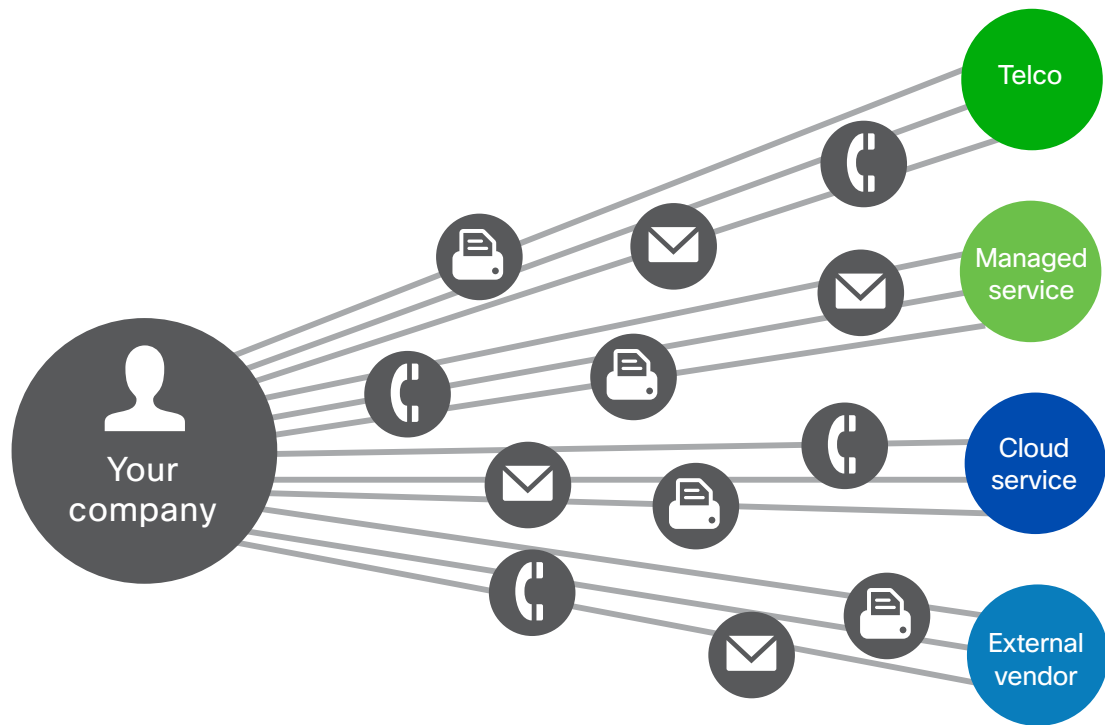


Increase over last year in multisourcing as an outsourcing approach¹

But multisourcing also multiplies the level of complexity.

Although multisourcing offers huge potential benefits, establishing a successful service environment isn't as straightforward as it may seem. Organizations tend to encounter several challenges:

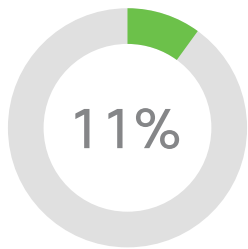
- Increasing the number of service providers and partners can overwhelm the IT team.
- Manually sharing information across your service environment doesn't scale and slows resolution time.
- Processes that extend two or three relationships deep create accountability issues.
- Managing relationships with various providers who each use proprietary ticket systems is highly inefficient.



The right approach makes all the difference.

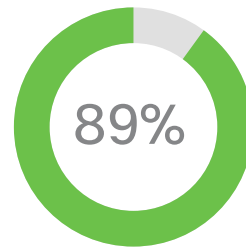
These challenges make it difficult to track workflows accurately, develop meaningful reporting, and handle sensitive data securely. And mismanaging a complex, multisourced service ecosystem can result in higher operational costs and longer resolution time.

If you're trying to figure out how multisourcing can work better for your organization, you're not alone. One study found that few organizations have mastered their approach, while most see significant room for improvement²:



say they have mastered their approach to multisourcing.

vs.



need to improve competencies and mature their approach.

So how do you get the benefits of multisourcing without the pitfalls? We've identified five essential factors you need to master.

5 keys to successful multisourcing

- 01 **Define**
your strategy.
- 02 **Cultivate**
collaboration.
- 03 **Integrate**
services.
- 04 **Streamline**
SLA tracking.
- 05 **Optimize**
governance.



01

Define your strategy.

Successful multisourcing can't be cobbled together—it needs to be part of a strategic IT initiative to deliver maximum business value at the optimal cost. And it requires careful planning and analysis at the outset followed by continuous refinement through the life of the organization. Developing a successful strategy involves answering questions about three areas:

Decide what you can outsource.

- What can you deliver effectively?
- What can a provider deliver better?
- How critical is the service for you?
- What do you risk by outsourcing it?

Document responsibilities.

- What is the provider's SLA?
- What do you have to do on your end?
- What's the backup if the provider fails?
- What do you risk if the provider fails?

Design a fluid contract.

- How will you integrate multiple providers?
- How will you implement new technology?
- Can you easily include additional providers?

Cultivate collaboration.

Successful multisourcing depends on fostering collaboration between internal staff and providers across the entire service ecosystem. But it's a tricky equation to solve because all parties involved have their own priorities and objectives. Even with detailed contracts, it's not always easy to keep everything running smoothly and avoid duplicating efforts. Following these principles can help you build collaboration.



Begin internally.

You have the most influence with your own staff, and developing a culture of cooperation internally will help improve the way your team works with external providers.

Define a shared purpose.

A shared drive to accomplish something meaningful and valuable is the heart of collaboration. Employees will be more motivated to work together when they all agree on the end goal.

Increase visibility.

Make sure everyone can see and appreciate the whole picture and communicate about what needs to happen. And remember to recognize their contribution—a little praise solves a lot of stresses.

Discourage “us vs. them.”

Even though contracts spell out roles and responsibilities, help employees and providers stay focused on working together for the big picture rather than wasting time on finger-pointing and blame.

Create an integrated process environment.

Integration creates a consistent experience across your service ecosystem and enables a smooth transition of services between organizations, whether it's from client to provider, provider to client, or provider to provider.

There are two things you must integrate to keep the transitions flowing seamlessly—service management processes and tooling.

Service management

To create a workflow that involves all parties, you can either

- (1) Convert service provider processes to match yours, or
- (2) Negotiate and codify only the process transitions.

Tooling

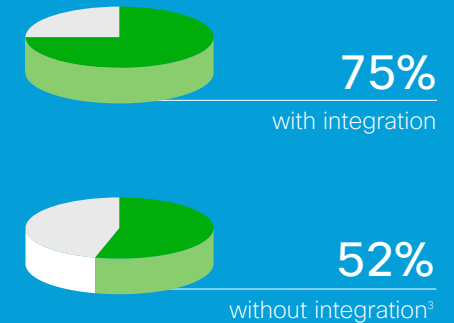
To handle process transitions consistently, you can either

- (1) Use a single standard toolset for all providers, or
- (2) Allow client's and provider's native systems to communicate.

The second option in each case allows all organizations to maintain their existing processes, tools, and procedures and ultimately strengthens your service ecosystem.

Would you renew your service contract?

Clients who said yes:



Improve vendor management through better SLA tracking.

The most important—and difficult—part of outsourcing is keeping track of whether providers are meeting their SLAs. And that task gets only more complicated in a multisourced environment, especially when you're trying to capture a holistic view of your ecosystem but you're stuck tracking individual vendor metrics manually.

Manual tracking is usually reactive, relying on vendors to self-report their metrics followed by monthly or quarterly reviews—making it difficult to identify and solve problems quickly.

A more effective approach is active SLA management, where service transaction data is mapped to contracted SLAs continuously and in real time.

Four benefits of active SLA management

1. Automation

Get real-time data on all providers in your ecosystem by automatically tracking and mapping transactions to SLAs.

2. Standardization

Make more direct and relevant comparisons among providers using standardized, clearly defined metrics.

3. Visibility

Foster collaboration and enable providers to proactively address concerns by giving everyone access to relevant tracking data.

4. Single point of control

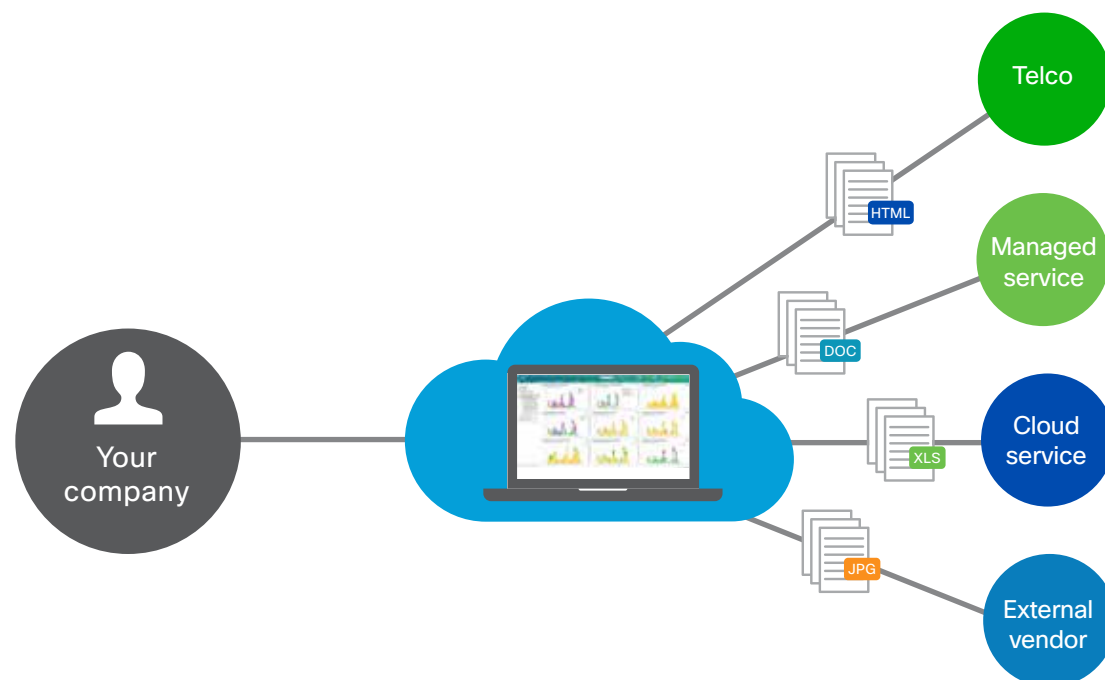
Instantly visualize all real-time activities in your ecosystem and isolate and resolve critical issues more efficiently.



Automate the reporting process.

To improve service governance, you have to measure performance. But manual reporting makes it difficult to see what's currently happening so you can address concerns in a timely manner. And in a multisourced environment, you also face the challenge of reconciling each provider's proprietary ticket-tracking system with yours—a logistical nightmare that can introduce errors and rob valuable time from other work.

Automated reporting collects and codifies updates from all providers—no matter what type of report they use or when they submit it—so you can see real-time metrics on all key performance indicators in a clear, consistent format.



Benefits of automated reporting

Gain real-time insight

into all cases to make more accurate decisions.

Collect detailed metrics

such as volume, service levels, and service processes.

Customize reports

based on business goals and key performance indicators.

View activity holistically

to help improve service processes faster.

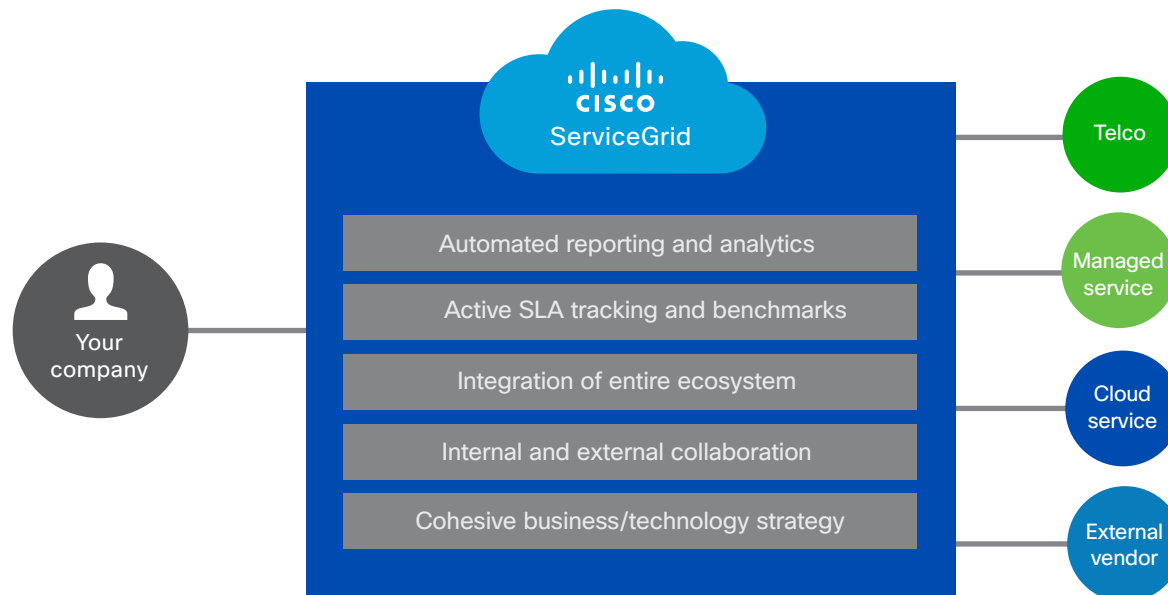
Improve service

by finding bottlenecks and prioritizing resources.

How can Cisco ServiceGrid help?

Once you've decided what your organization needs from multisourcing, Cisco ServiceGrid™ technology can simplify the entire process to get you up and running fast. Cisco ServiceGrid is a cloud-based integration platform that connects you to your entire ecosystem. It's the perfect solution for managing service cases across multiple environments and consistently tracking performance levels for all your providers—all from an easy-to-use interface that meshes seamlessly with your current system and business requirements.

[Contact a Cisco representative to get started today >](#)



What can Cisco ServiceGrid do for you?

- ✓ Help you resolve issues up to 27% faster.
- ✓ Standardize integration across all providers.
- ✓ Increase agility and speed time to market.
- ✓ Achieve higher levels of service experience.
- ✓ Improve customer satisfaction.



On the following pages, see how Cisco ServiceGrid helps solve real-world problems for a variety of organizations around the globe.



CASE STUDY

Cisco ServiceGrid helps keep traffic moving around the globe.

Kapsch TrafficCom’s intelligent systems support road transportation 24 hours a day, and when a problem occurs somewhere in that network, response time is critical not only to maintain business but also to protect lives.

Because of its global scale, Kapsch partners with numerous local service providers that use their own systems and processes—and in a variety of languages and countries.

Because Kapsch uses the Cisco ServiceGrid platform, all incidents are instantly visible to Kapsch’s maintenance and support center and automatically signaled to the right external service provider. Cisco ServiceGrid automates and updates processes across the entire ecosystem so that Kapsch can collaborate, coordinate, and integrate solutions anywhere to keep traffic moving everywhere.

[Read the full case study >](#)

- Company**
Kapsch TrafficCom
- Headquarters**
Vienna, Austria
- Global reach**
41 countries
- Transponders**
70 million
- Traffic lanes**
18,000
- Toll stations**
280



CASE STUDY

Cisco ServiceGrid helps retailers deliver impeccable customer service.

For SPAR, a major European grocery retailer, success in a highly competitive trade depends on keeping thousands of devices up and running at points of sale and back offices—every minute of the day.

If a register or payment system goes down, customers become frustrated, often abandoning perishable goods in the cart and leaving for another store. Managers then spend time tracking down the right vendors and trying to win back the goodwill of stressed patrons and employees.

With Cisco ServiceGrid, all of SPAR's devices are connected to a single system that automatically assesses the problem and creates a service ticket for both SPAR's help desk and the right vendor. SPAR can also track SLAs and easily coordinate multiple vendors. Overall, the platform helps reduce costs, eliminate errors, and improve the quality of support.

And the payoff is huge: Time and money saved on resolving incidents—along with higher customer and employee satisfaction—has given SPAR the highest market growth in the country.

[Read the full case study >](#)

Company
SPAR

Headquarters
Salzburg, Austria

Annual revenue / market share
€5 billion / 29.2%

Employees
38,000+ in 1300 locations

IT devices
40,000+

Service tickets processed
Nearly 6000 per year

Time savings
2.5 hours per day per manager



CASE STUDY

Cisco ServiceGrid helps a global IT firm and its clients reach their goals.

As a global leader in delivering specialized IT infrastructure, cloud, and managed services, Dimension Data helps its customers accelerate their ambitions as a digital business.

However, Dimension Data ran into a digital challenge of its own: One of its clients, a large telecommunications company, wanted to use Dimension Data's services, but the telco's internal ticket reporting was manual, relying on human intervention via email and phone calls.

Using Cisco ServiceGrid, Dimension Data easily integrated the telco's ticketing system with its own, automating the entire service-management process from initial report through resolution and increasing operational efficiency for both companies. The defined standards and proven implementation plan of Cisco ServiceGrid also cut the cost and time required to integrate the service desks.

Dimension Data can now deliver real-time updates and SLA metrics to the telco, and they have achieved a 50-percent reduction in service delivery time, a 27-percent improvement in mean time to repair, and a 10-percent increase in end-user satisfaction.

[Watch the video >](#)

Company

Dimension Data

Headquarters

Johannesburg, South Africa

Clients

6000+ in all major industry verticals

72% of Fortune 100

60% of Fortune 500

Global reach

58 countries directly

114 more through partners

Operations

Support and manage 9000 networks
and US\$30 billion in equipment

enabling 7 billion customer interactions

Summary: 5 Tips for Mastering Multisourcing

Need help setting up or refining your multisourced service ecosystem? Use this checklist to guide you through the process.

01 Define your strategy.

- Define business objectives and identify which services to keep in-house to minimize risk.
- Create exhaustive contracts with well-defined responsibilities for service ownership.
- Design contracts with the flexibility to accommodate an evolving service environment.

02 Cultivate collaboration.

- Encourage collaboration internally and empower the IT team to collaborate with vendors.
- Reward collaboration and communication to help break down service silos.

03 Create an integrated process environment.

- Define and standardize a strategy for integrating providers with internal service processes.
- Define a strategy for integrating tooling between your organization and service providers.
- Make sure integrated processes and tooling enable workflow automation, data communication, fast onboarding, and maintenance of native systems with minimal effort.

04 Improve vendor management through better SLA tracking.

- Make sure your SLA-tracking system delivers these capabilities:
 - A single point of control
 - Real-time, actionable data for vendor management

05 Automate the reporting process.

- Make sure your ticket-reporting system delivers these capabilities:
 - End-to-end visibility into the entire service environment
 - Real-time, actionable data on service cases and providers
 - Customized reports for defined business objectives and key performance indicators

Explore all the ways Cisco can help.

Learn more about optimizing your service environment using Cisco ServiceGrid.

Video: "Conquer Complexity, Evolve Your Support with Cisco ServiceGrid"

Brochure: "Cisco ServiceGrid Overview"

White paper: *Achieving Holistic Governance in Multisourced Environments*

IDC Spotlight: *Automated Service Management: Accelerating Enterprise Insight, Efficiency, and Action for Service Providers*

Webpage: Cisco ServiceGrid

And stay connected to keep up on how service integration is evolving every day.



Contact a Cisco representative to get started with Cisco ServiceGrid today >

Sources

- 1 Jagdish R. Dalal, *Annual State of the Industry*, IAOP, 2015.
- 2 *Outsourcing Competencies Key Initiative Overview*, Gartner, April 9, 2014.
- 3 "Want to Improve Business Outcomes in Outsourcing Deals?" The Outsourcing Institute, 2015.