ICMI™ CONTACT CENTER EXPO

Pre-Conference Workshop:
The Principles of Effective Contact Center Management

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Founding Partner and Senior Advisor, ICMI

Topics

- Definition of contact center management

- Three driving forces

- The planning/management process

- Key immutable laws

- Components of a quality contact

- Essential measures/objectives

- Three levels of value

3

Mobile, social, connected

Contact Center Management Is...

...the art of having the right number of properly skilled people and supporting resources in place at the right times to handle an accurately forecasted workload, at **service level** and with **quality**.

* Quality is comprehensive and strategic, e.g., it includes capturing input that can improve products, services, processes.

Random Workload Arrival

Customer Contacts *Bunch Up*!
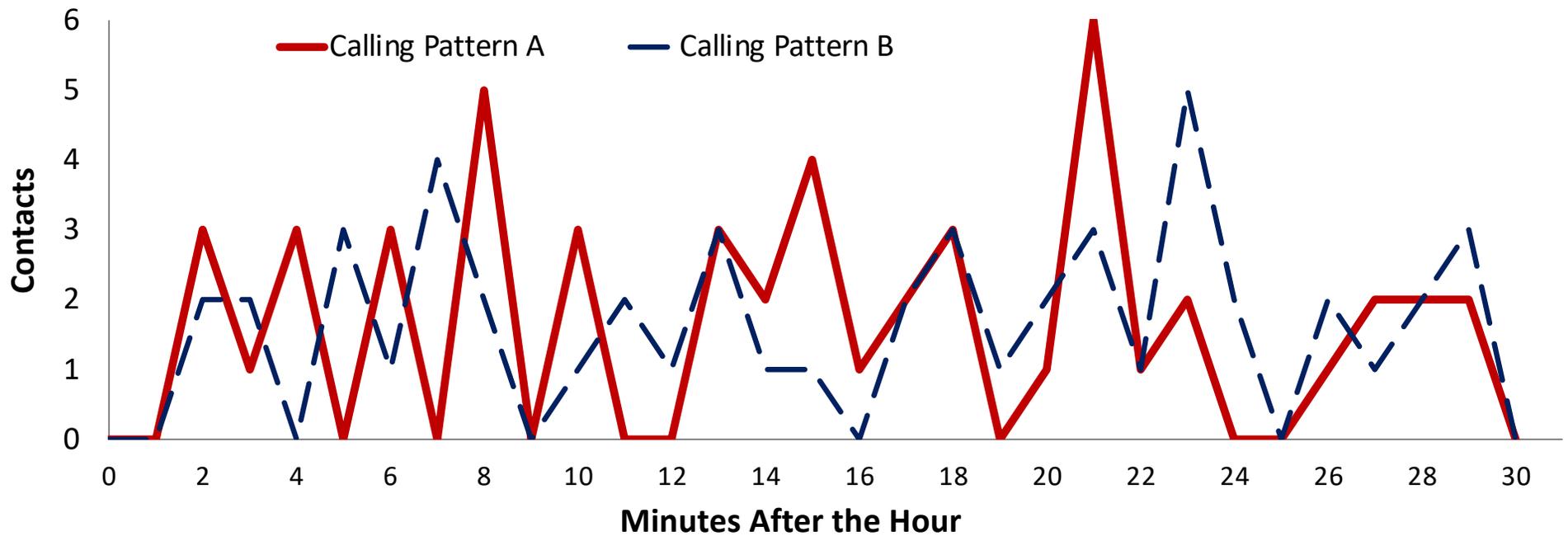
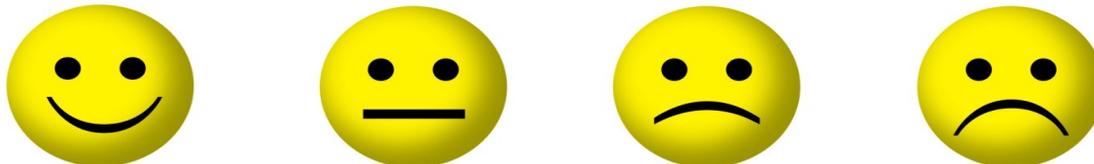# The Queue: Visible or Invisible?

VISIBLE QUEUE: grocery store, stadium, security
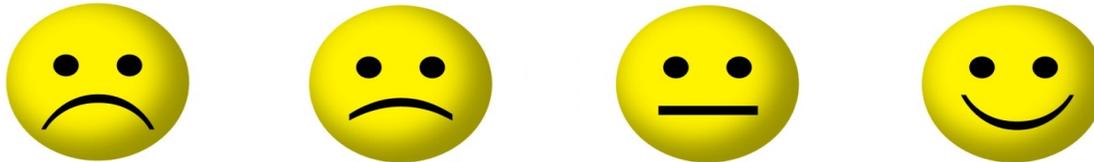
INVISIBLE QUEUE: many contact centers (not all)

Time

The 7 Factors of Customer Tolerance

1. Degree of motivation
2. Availability of substitutes
3. Competition's service level
4. Level of expectations
5. Time available
6. Who's paying for the contact
7. Human behavior

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Service Level or Response Time?

1. Those that must be handled when they arrive.

Performance objective: <u>Service Level</u>

(Expressed as: X% of contacts answered in Y sec.)

2. Those that can be handled at a later time.

Performance objective: <u>Response Time</u>

(Expressed as: 100% response within N hrs/mins)

Service Level Objectives—Examples

- **Emergency services:** 100/0

- **High:** 90/20, 85/15, 90/15

- **Moderate:** 80/20, 80/30, 90/60

- **Modest:** 70/60, 80/120, 80/300

Inbound phone
Social—real-time
SMS/text
Web chat
Interactive video
Callback—call me now
Web click to talk
Walk-in customers*

* Walk-in customers are often willing to wait longer than in electronic channels, though these queues should still be managed. Acknowledgement, interest in the store, and other factors can contribute to a positive experience.

Response Time Objectives—Examples

Trend to Watch: Organizations handling RT contacts as they arrive.

Channel	Common	High End of Range
Customer email	Within 24 hours	Within 4 hours
Customer voicemail	Within 24 hours	Within 4 hours
Social—deferred*	Within 24 hours	Within 4 hours
Callback—call me later	As scheduled	n/a
Postal mail	Processed within two weeks	Processed within two days

 * This refers to social interactions that do not require immediate response.

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Forecasting

The workload foundation

Talk Time: Everything from hello to goodbye

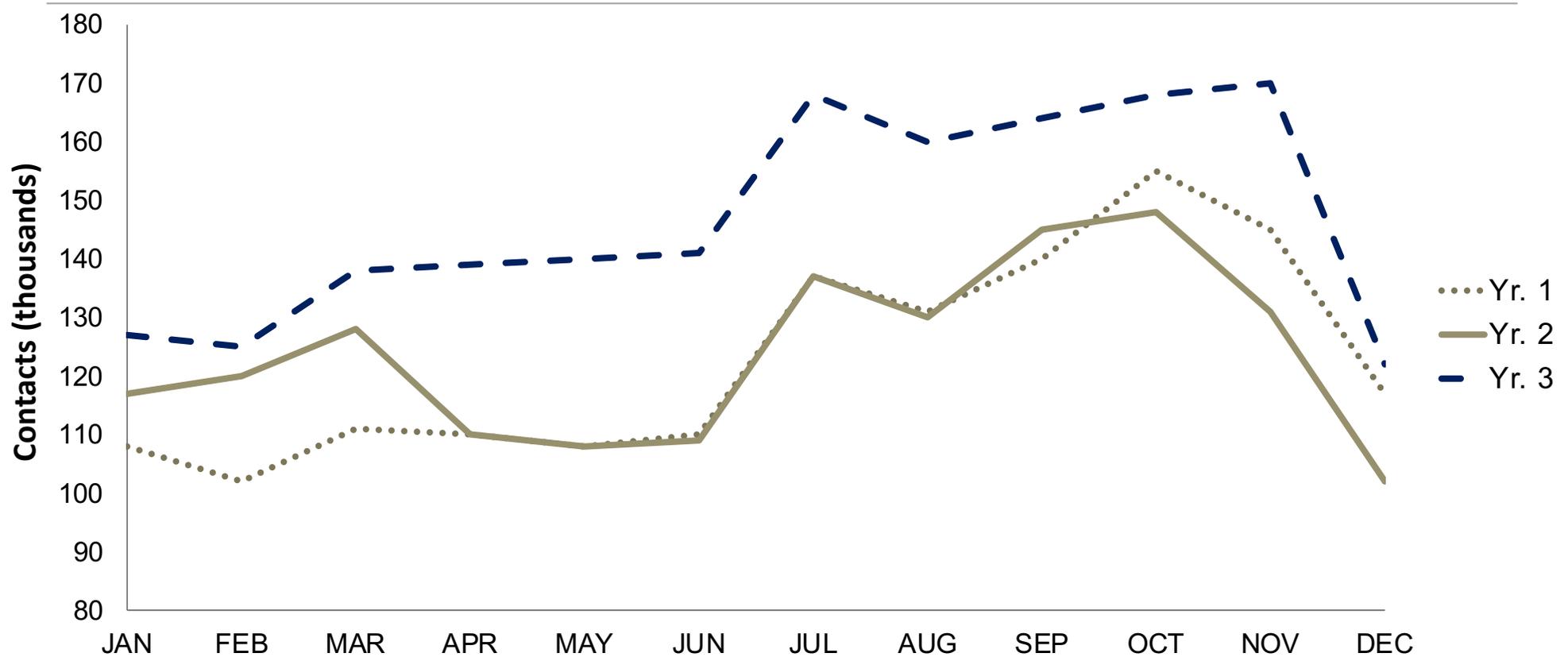**After Call Work:** Immediately follows contact

Handling Time: Talk time + after call work

Call Load: Volume X AHT

Monthly Contacts

Daily Contacts
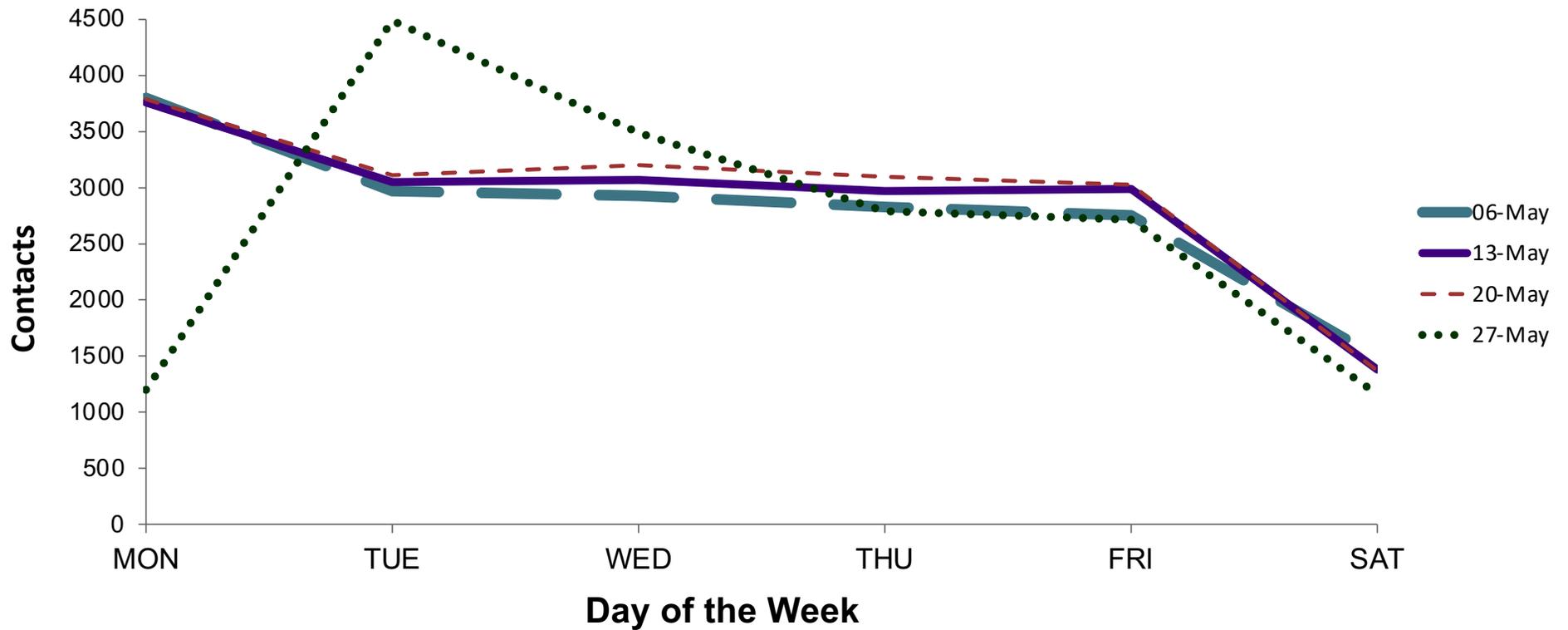
Note: Use data from four or more weeks.

Contacts by Increment
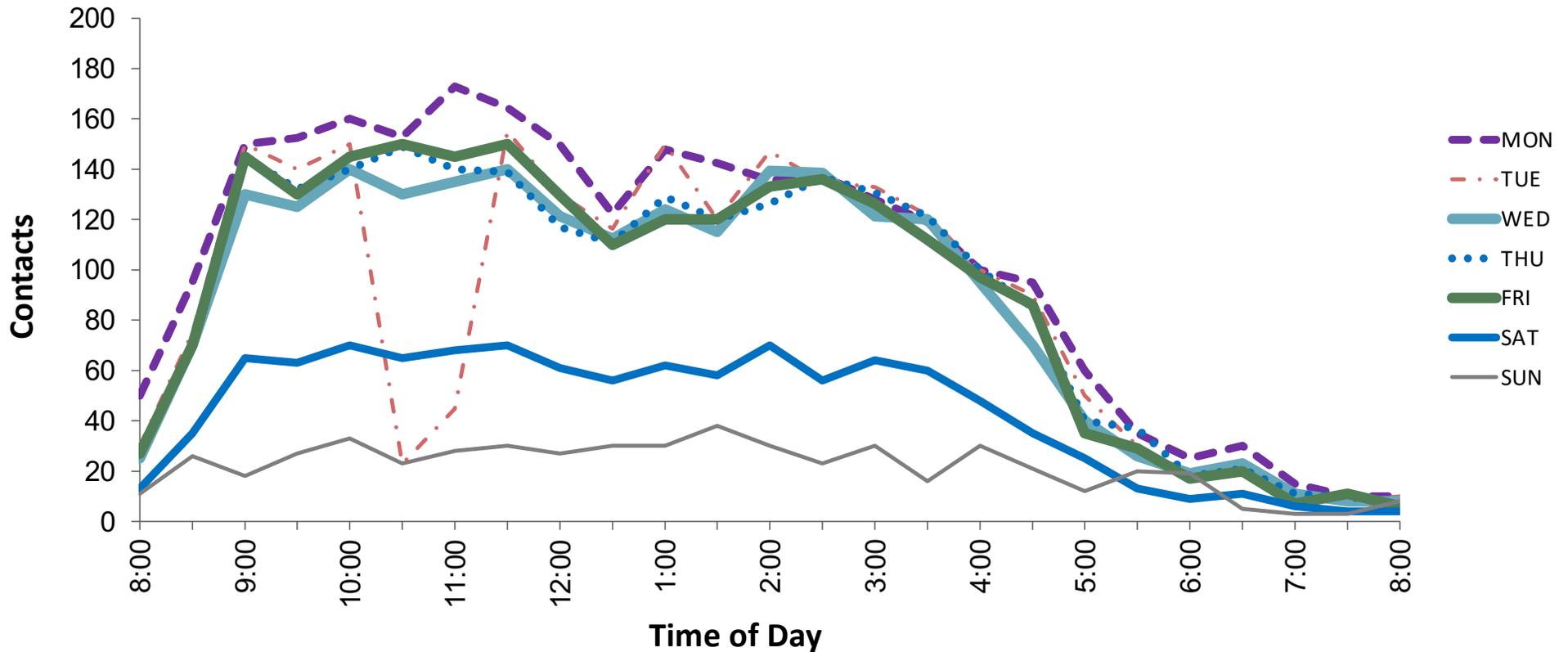
Note: Use data from at least one "typical" week.

Average Handle Time
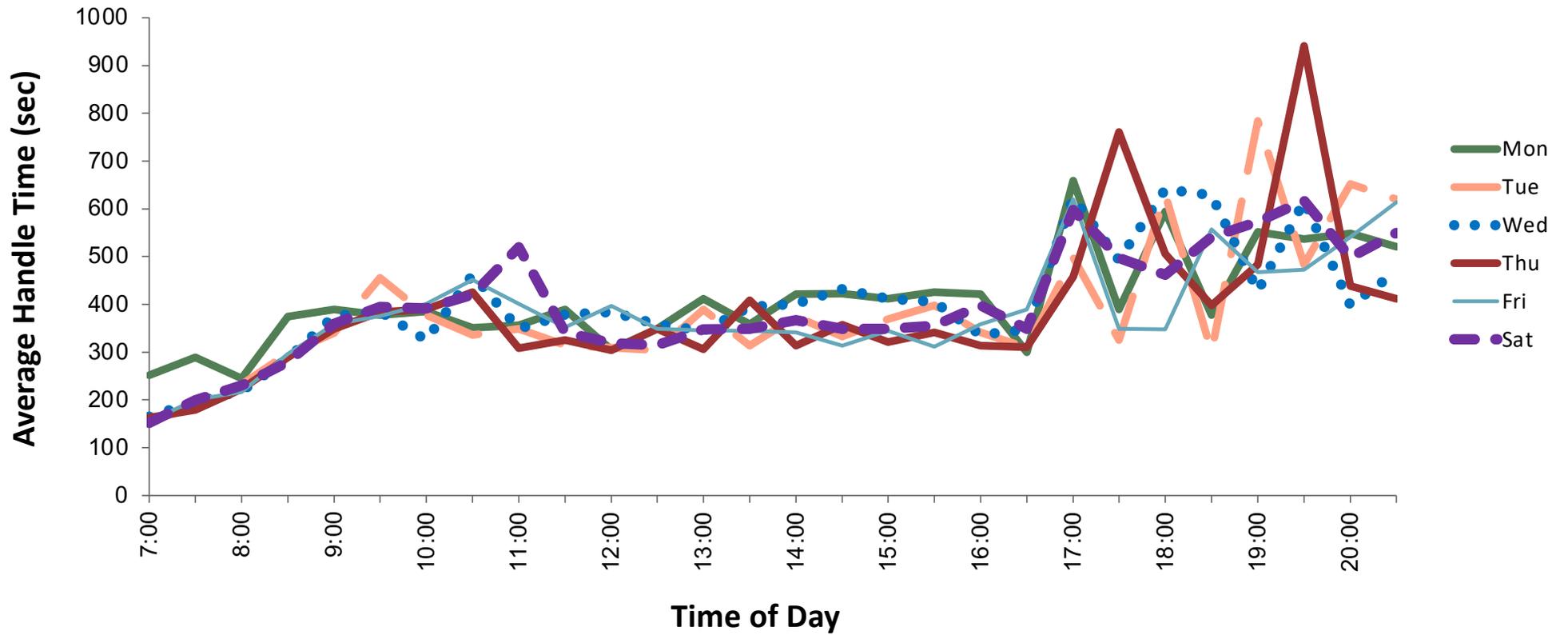
Forecasting: 7 Best Practices

- Establish a sharp interdepartmental forecasting team; track and publish accuracy.

- Have concise, consistent definitions of workload.

- Forecast at the agent group level, by increment.

- Look for underlying patterns and drivers.

- Use contact codes and work states consistently.

- Clean the data—e.g., remove exceptions.

- Consider the range of outcomes and "dress for any kind of weather."

Tracking Accuracy

		Forecast	Actual	Difference	Percent
8:30	9:00	342	291	51	17.5%
9:00	9:30	399	343	56	16.3%
9:30	10:00	461	499	-38	-7.6%
10:00	10:30	511	582	-71	-12.2%
10:30	11:00	576	649	-73	-11.2%
11:00	11:30	605	578	27	4.7%
11:30	12:00	572	513	59	11.5%
12:00	12:30	505	412	93	22.6%
12:30	1:00	456	540	-84	-15.6%
		4427	**4407**	**20**	**0.5%**

Measure accuracy here…

Not here!

1. Choose service level and response time objectives

2. Collect data

3. Forecast workload

4. Calculate base staff

5. Calculate system resources

6. Calculate shrinkage

7. Organize schedules

8. Calculate costs

9. Repeat for higher and lower levels of service

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Erlang C…

Alternative: Computer Simulation
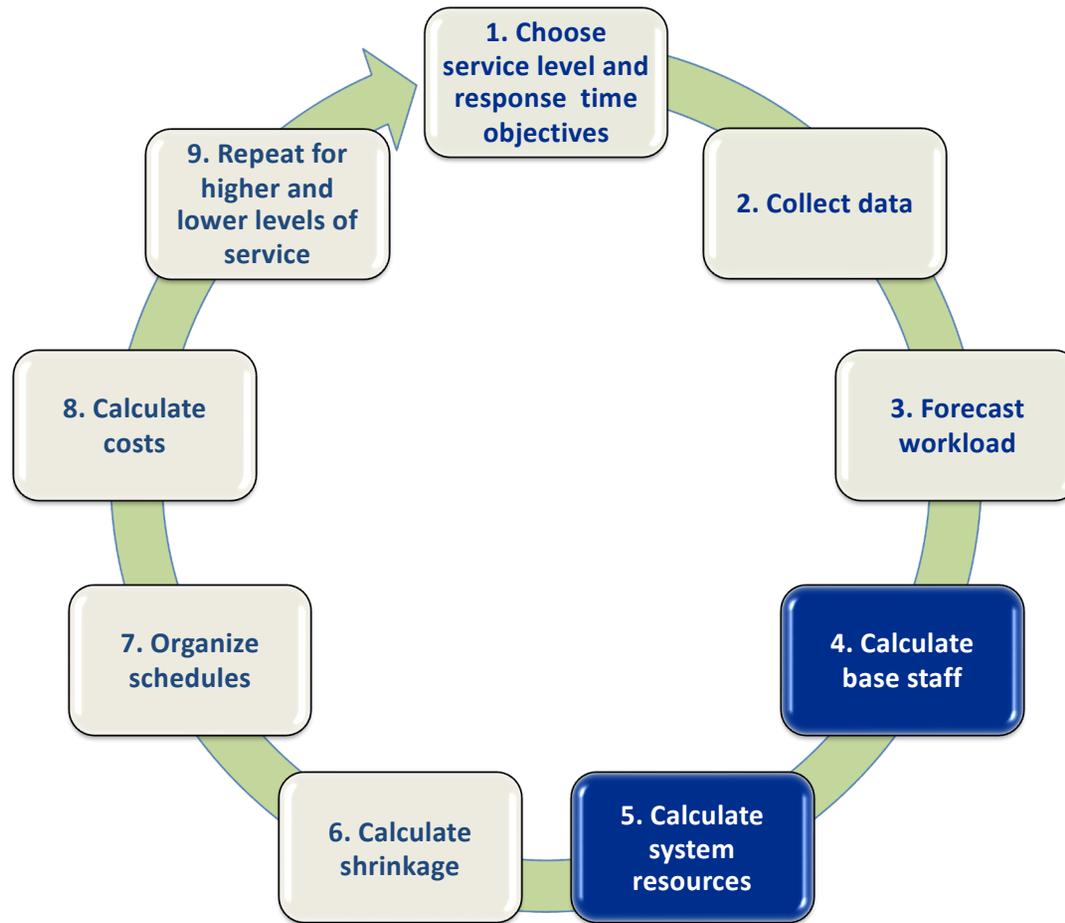
$$P(>O) = \cfrac{\cfrac{A^N}{N!}\ \cfrac{N}{N-A}}{\displaystyle\sum_{x=O}^{N-1}\cfrac{A^x}{x!} + \cfrac{A^N}{N!}\ \cfrac{N}{N-A}}$$

Where

A = total traffic offered in erlangs

N = number of servers in a full availability group

P(>O) = probability of delay greater than O

P = probability of loss -- Poisson formula

Base Staff Calculations

Source: Customer Queue Calculator

Input:

Average talk time in seconds = **180**
Average after call work (wrap up) in seconds = **30**
Contacts per half hour = **250**
Service level objective in seconds = **20**

Output:

Agents	ASA	SL	Occ	TKLD
30	208.7	23.5%	97%	54.0
31	74.7	45.2%	94%	35.4
32	37.6	61.3%	91%	30.2
33	21.3	73.0%	88%	28.0
34	12.7	81.5%	86%	26.8
35	7.8	87.5%	83%	26.1
36	4.9	91.7%	81%	25.7
37	3.1	94.6%	79%	25.4
38	1.9	96.5%	77%	25.3
39	1.2	97.8%	75%	25.2
40	0.7	98.6%	73%	25.1

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Average talk time in seconds = **180**
Average after call work (wrap up) in seconds = **30**
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Service level objective in seconds = **20**

Caller Delay Module
Source: Customer Queue Calculator

|<========= Number of customers waiting longer than x seconds =========>|

Agents	SL%	5	10	15	20	30	40	50	60	90	120	180	240
30	24	203	199	195	191	184	177	170	163	145	129	101	80
31	45	156	149	143	137	126	115	105	97	74	57	34	20
32	61	118	111	104	97	85	74	65	56	38	25	11	5
33	73	89	81	74	67	56	47	39	32	19	11	4	1
34	82	65	58	52	46	37	29	23	18	9	5	1	0
35	88	47	41	36	31	24	18	14	10	4	2	0	0
36	92	34	29	24	21	15	11	8	6	2	1	0	0
37	95	24	20	16	14	9	6	4	3	1	0	0	0
38	97	16	13	11	9	6	4	2	2	0	0	0	0
39	98	11	9	7	5	3	2	1	1	0	0	0	0

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The Dynamics of Size and Pooling

Scenario

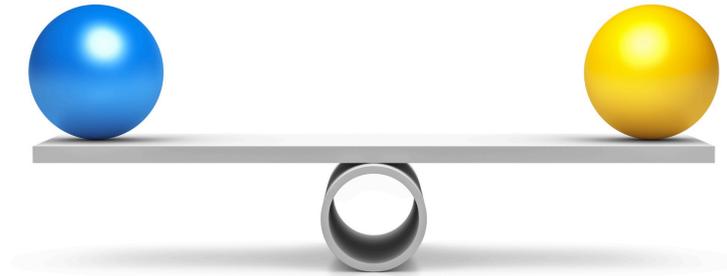*Talk:* 180 seconds

After-call work: 30 seconds

Service level: 80% in 20 seconds

Contacts	Agents	Occupancy	Contacts / Agent
50	9	65%	5.6
100	15	78%	6.7
1000	124	94%	8.1

Key Immutable Laws

- When service level goes up, occupancy goes down

- The law of diminishing returns

- The powerful pooling principle

1. Choose service level and response time objectives
2. Collect data
3. Forecast workload
4. Calculate base staff
5. Calculate system resources
6. Calculate shrinkage
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9. Repeat for higher and lower levels of service

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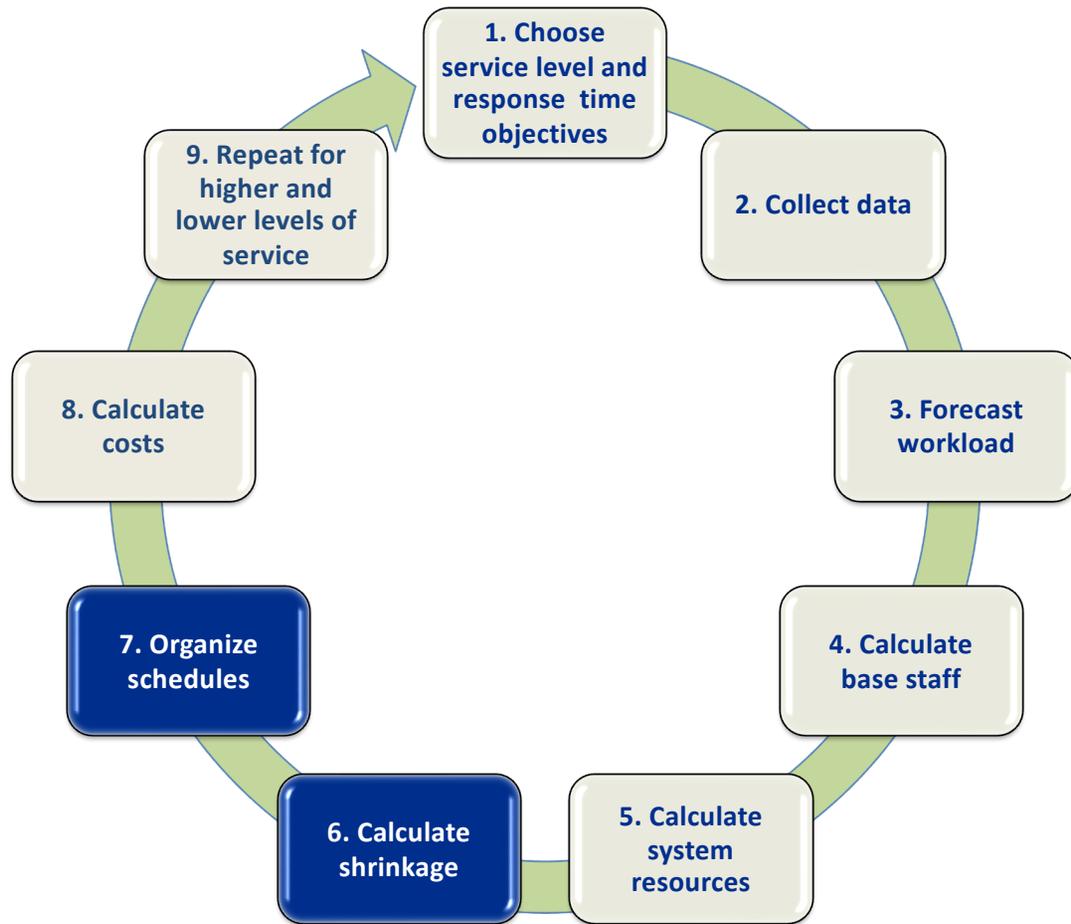
Where Are They???

"Thank you for holding. Our agents are currently…

On a break
At lunch
Checking Instagram
In a meeting
In the restroom
Rebooting their computer
Researching something
Sick
On vacation
In a coaching session
Getting supplies
Stuck in after-call work
In training
Showing visitors around the center
Updating their LinkedIn profile
With other customers

Your call is important to us. Please continue to hold…"

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Rostered Staff Factor (RSF)

	Base Staff Required	Absent	Break	Training	On Schedule	Rostered Staff Factor
8:00 - 8:30	28	3	0	4	35	1.25
8:30 - 9:00	30	3	0	4	37	1.23
9:00 - 9:30	37	3	4	4	48	1.30

$$\text{Rostered Staff Factor} = \frac{\text{On Schedule}}{\text{Base Staff Required}}$$

Scheduling: The "Envelope" Strategy

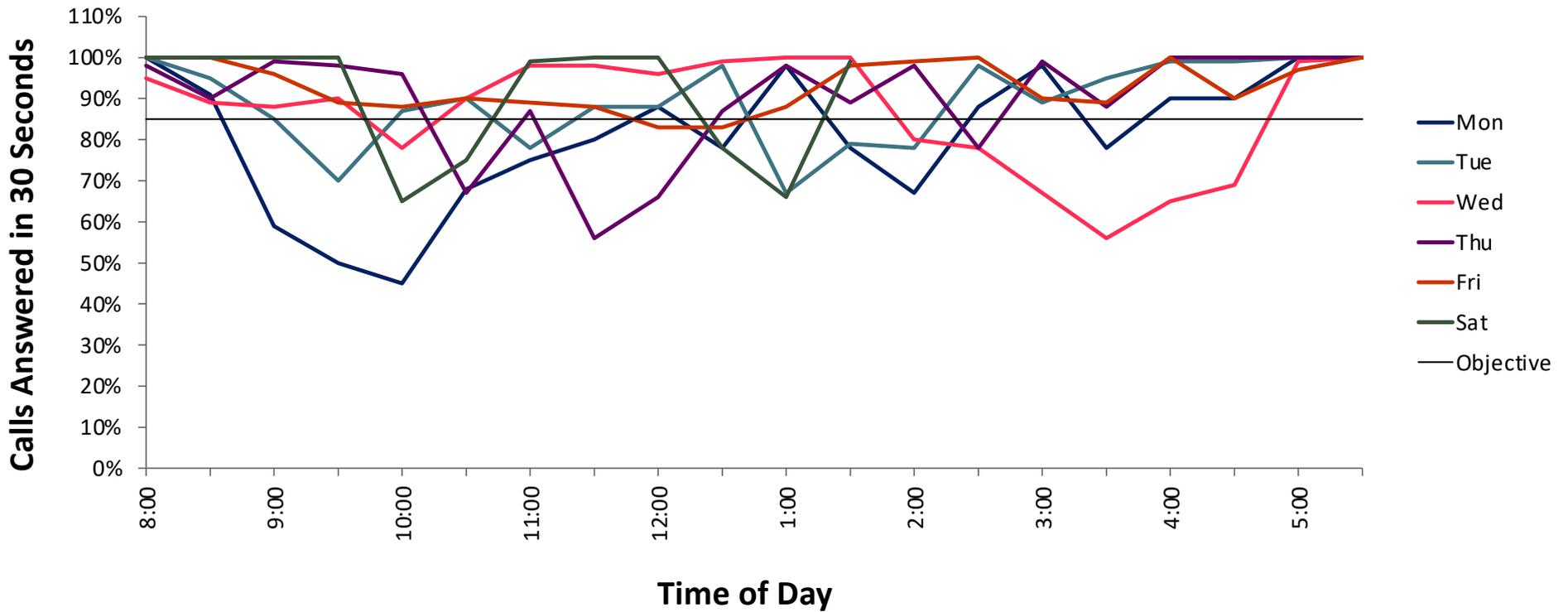Quality improvement, non-customer projects, etc.
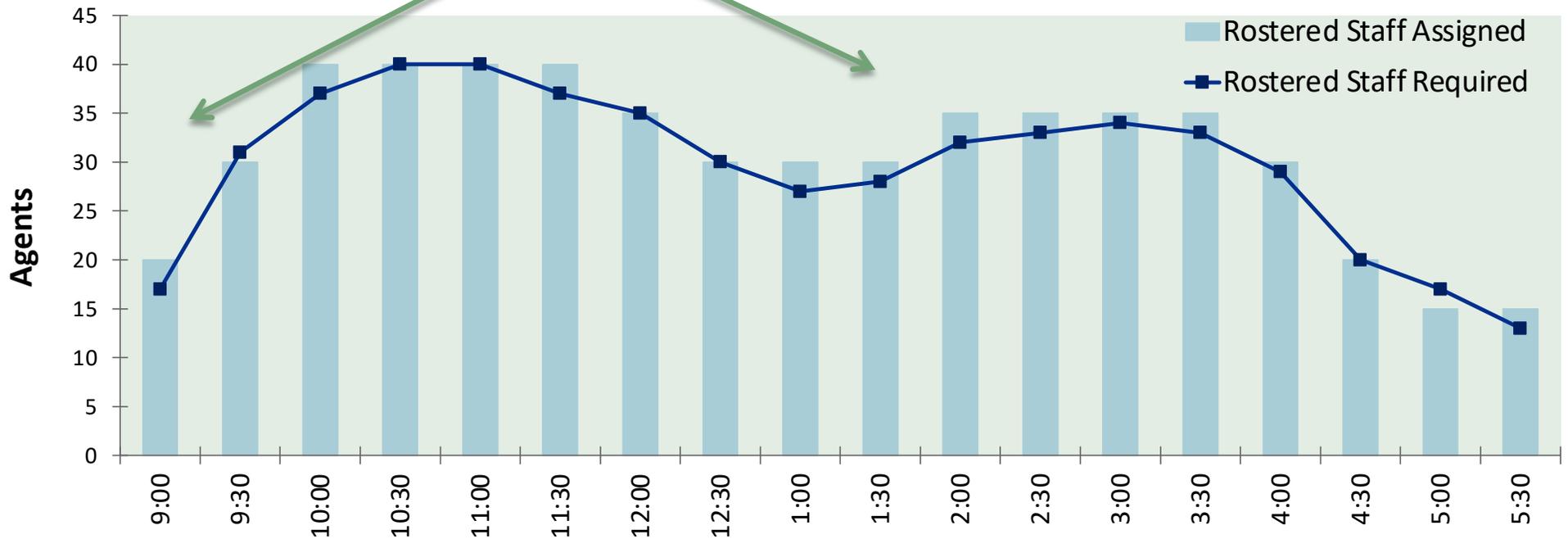
Scheduling Alternatives

- Utilize conventional shifts
- Stagger shifts
- Adjust breaks, lunch, meeting and training schedules
- Forecast and plan for regular collateral work
- Schedule part-timers
- Establish internal part-timers
- Create a SWAT team
- Offer concentrated shifts
- Offer overtime
- Give agents the option to go home, without pay

- Offer split shifts
- Arrange for agents to be on call
- Set up a telecommuting program
- Use hiring to your advantage
- Send calls to a service bureau
- Collaborate with similar organizations
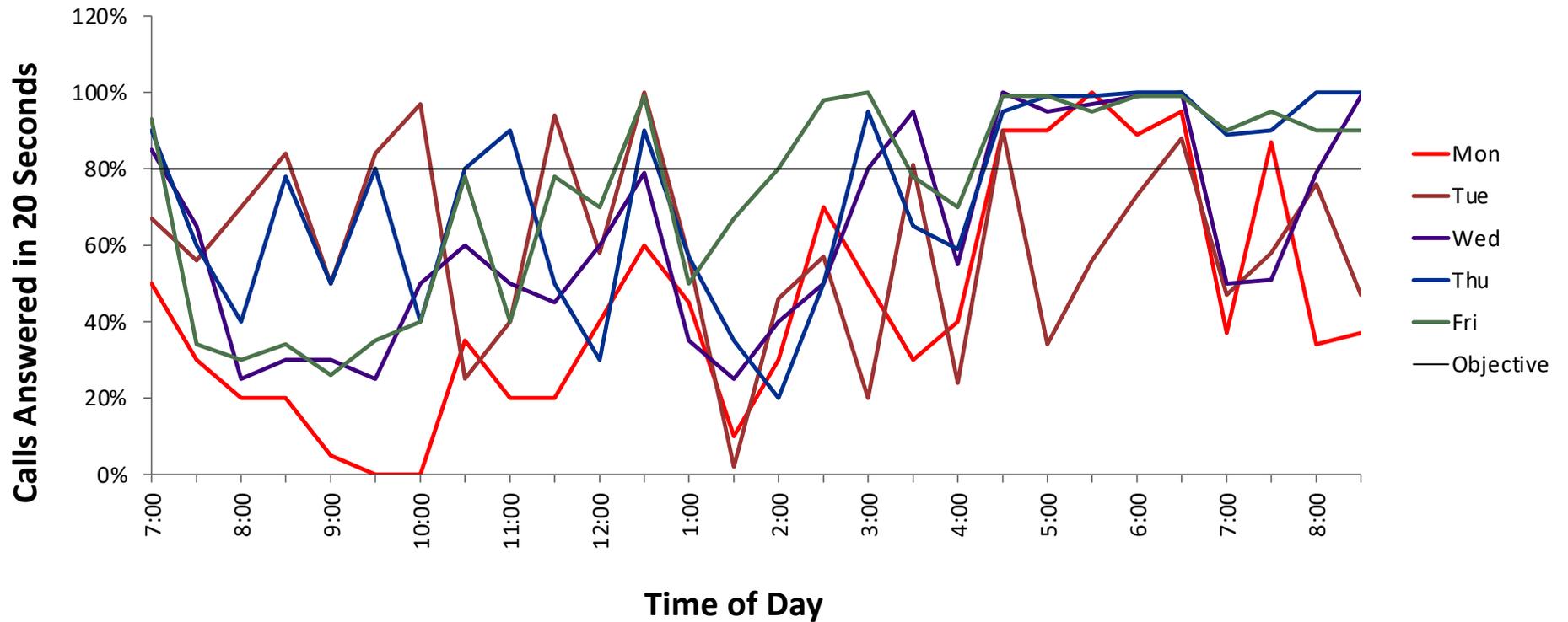- Sacrifice service level for a planned period of time
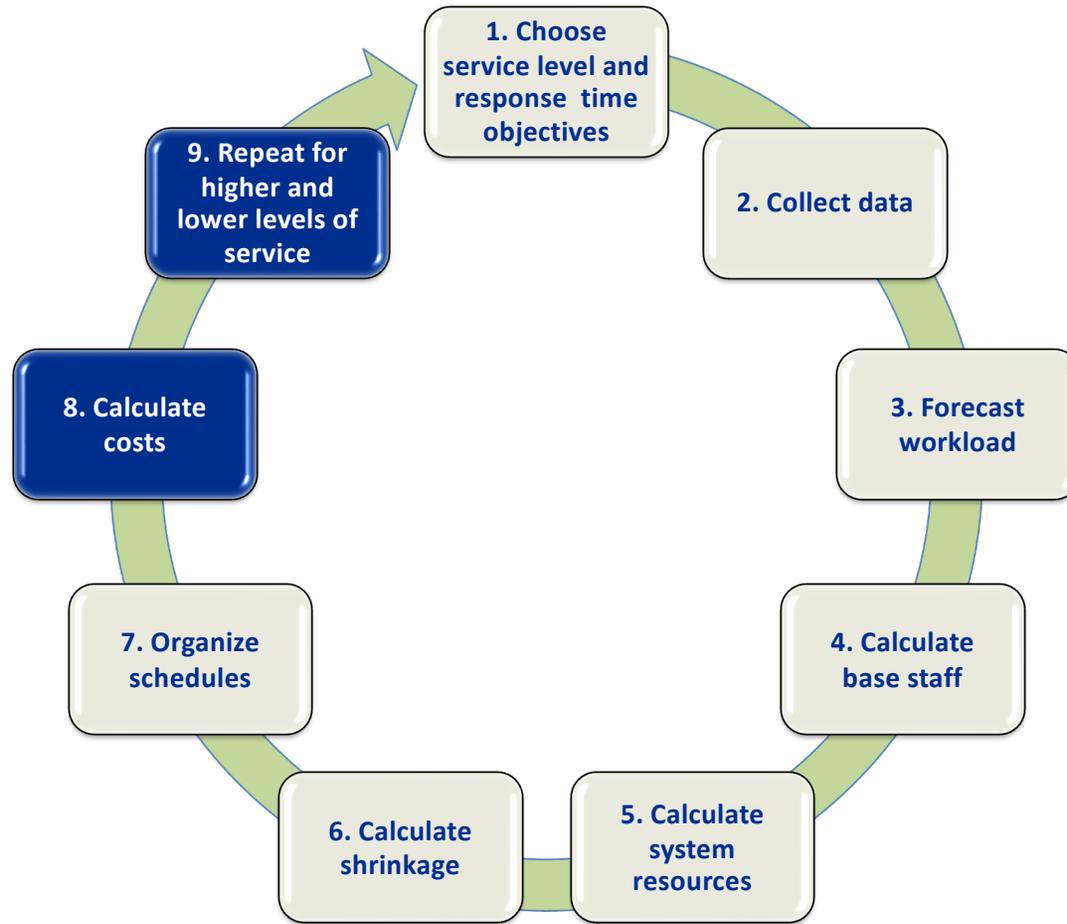
Potentially, many others…

Service Level Revisited

Service level fairly consistent and meeting objective

Service Level Revisited

Service level erratic and below objective

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Components of a Quality Interaction (1 of 2)

- Customer can access the contact channels desired
- Contact is necessary in the first place
- Customer is not placed in queue for too long
- Customer is not transferred around
- Customer doesn't get rushed
- Agent provides correct response
- All data entry is correct
- Customer receives correct information
- Agent captures all needed/useful information
  - Continued...

Components of a Quality Interaction (2 of 2)

- Customer has confidence contact was effective
- Customer doesn't feel it necessary to check-up, verify or repeat
- Customer is satisfied
- Agent has pride in workmanship
- Unsolicited product, service and marketplace feedback is detected and documented
- Others across the organization can correctly interpret and effectively use the information captured
- The organization's mission is furthered

Key Objectives / Metrics

- Strategic value

- Customer satisfaction / loyalty

- Employee satisfaction

- Quality / first contact resolution

- Service level / response time
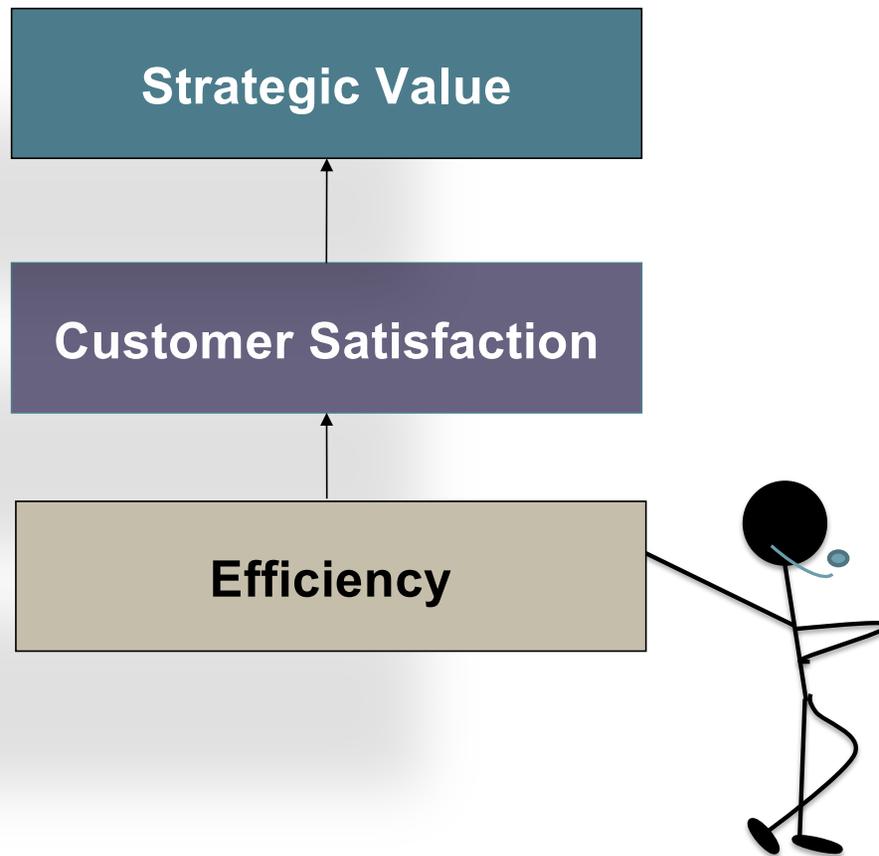
- Adherence to schedule

- Forecast accuracy

Individuals: The Two Things that *Really* Matter

- Being in the right places at the right times—**adherence**

- Doing the right things (foundation and finesse)—**quality**

Three Levels of Value

About Brad / Connect

Brad has worked in over 60 countries, for clients as diverse as American Express, Apple, USAA, and the federal governments of Australia, Canada and the U.S. He was one of two initial partners in, and former CEO of, the International Customer Management Institute (ICMI), where he currently serves as Senior Advisor. Brad has appeared in media ranging from the *Wall Street Journal* to the *New York Times*, CNBC, NPR, and others. His book, *Contact Center Management on Fast Forward*, is the industry's top selling management book. His most recent book, *Leading the Customer Experience*, was recipient of a NYC Big Book Award distinguished favorite award. Brad lives in Sun Valley, ID with his wife Kirsten; they have a grown daughter, Grace.

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