# ICMI's Guide To Contact Center Metrics

## 1st Edition

Contributing Authors

**Brad Cleveland**

**Justin Robbins**

# Introduction from ICMI

Metrics are more than just numbers on a page and they don't occur in a vacuum, isolated from each other. The performance indicators that are measured and utilized by an organization are interrelated pieces of a greater narrative. Metrics are capable of telling the story of what an organization finds important; they define success and recognize progress; metrics provide tangible evidence of an organization's actions. Metrics are critical to a contact center's success, but it can be difficult to know which metrics matter most.

In fact, our latest research uncovered that 39% of contact leaders struggle to identify and measure key performance indicators.

We wrote this guide to help contact center leaders understand where they should begin.

# How to Use This Guide

One of the most complicated things about metrics is that, overtime, they can and should change. Every organization is different, with different needs, different priorities and different sets of expectations.

**There is no one size fits all approach to metrics.**

This guide is designed to help contact center leaders:

> *Understand current communication channels*
>
> *Recognize common contact drivers*
>
> *Identify the right key performance indicators*
>
> *Define the seven categories of metrics*
>
> *Align metrics to appropriate channels*
>
> *Evolve their metrics over time*

*Disclaimer: Not everything in this guide will apply to every contact center and every situation.*

This guide was created to enable contact center leaders to start a metrics dialogue within their organization. The content we've included is the result of extensive research among ICMI's community of practitioners and highlights the trends of those findings.

Inside you'll find research statistics, metric definitions, discussion questions, benchmarking data and more that covers the core categories of metrics for both inbound and outbound contact centers.

Use this guide as a resource for understanding what's happening in the contact center industry today and where your organization stands in delivering a best in class experience.

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# Communication Channels

# Communication Channels

The "call center" is dead.

If your organization's primary focus is on supporting calls and calls alone, you're not just behind the times – you're out of touch with the modern customer.

The customer to company relationship has evolved to a place where experiences happen across multiple channels and touchpoints, which creates a complexity of service unlike anything we've historically experienced.

Today's organization must have a seamless understanding and ability to service the customer journey across all contact channels.

The omnichannel contact center is not simply an aspiration ideal – it's a mandate to ensure the future success and sustenance of an organization.

A majority of organizations, however, are not there yet.

Delivering an omnichannel experience is a multifaceted endeavor that requires deep levels of customer insight, robust technology capabilities, talented and empowered people in the contact center, and an unwavering understanding of the metrics that define success and effectively measure progress along the way.

It's complicated and it will take time, but it starts by understanding where you're at today.

# Contact centers support these channels:

92% inbound phone to live reps

88% email

80% outbound phone

75% self-service (web/online)

65% postal mail

64% self-service (phone/IVR)

59% social networking sites

54% ratings/customer feedback sites

52% apps for mobile devices

49% online self-service for order tracking

47% online chat (text based)

37% SMS/text message

22% video chat

ICMI's research has revealed that critical mistakes made by organizations in implementing or serving a new channel are:

1. Not determining if customers want service in that channel

2. Not identifying the type of service that's best delivered in that channel

3. Not deploying the necessary technology to effectively report and measure actions in that channel

4. Not hiring, training, identifying the right type of individuals to provide service in that channel

5. Not adopting appropriate processes and policies for that channel

6. Not measuring or knowing the right metrics for that channel

A majority of the contacts coming through organizations today are inbound. In fact, for 87% of organizations more than half of their total contact volume is inbound.  For the other 13%, the majority of their volume is through outbound contacts.  This dispersion of contacts is predicted to shift in coming years as organizations adopt a new mentality to customer service.

Connected devices and the Internet of Things could enable companies to predict or identify customers' needs or problems before the consumer is even aware of them. This elevated awareness would shift organizations to a proactive communication model, which could reduce or even eliminate many common contact drivers.

# Contact
# Drivers

# Contact Drivers

Executives of a business-to-business company that provides HR and payroll services met to discuss service strategy. They have an award-winning contact center, but were seeing warning signs of changes in customer expectations and were concerned about a growing number of "isolated" service delivery problems.

As questions came up about social, mobile and other fast-evolving channels, they toggled through a few social sites on a laptop projecting to a screen. When they landed on their Facebook page, you could hear an audible gasp. Alongside well-intentioned and upbeat messages from the company was a string of posts from frustrated customers who needed help with a simple password reset. The contrast was glaring.

This led to a rapid-fire round of questions among the group. Why could these customers not get through using "normal" channels? Why was marketing not monitoring these posts, and why weren't they reaching out to the contact center for help? Why wasn't the contact center knocking on their door to help?

Welcome to a new era of customer access, characterized by multiple contact channels, expectations for virtually immediate service, and every customer armed with the means to broadcast their experience. Along with positioning the contact center to effectively handle these interactions, there is an even bigger opportunity: identifying and preventing the problems causing them in the first place.

**Our advice falls into five overarching recommendations:**

# 1.

Track the reasons for contacts as specifically as feasible. This typically involves developing a hierarchical classification approach that presents agents with a menu of several levels— each having five to ten categories. This results in codes (125-plus) that can provide detailed insight into drivers.

# 2.

Track drivers across all contact channels (including traditional, social, mobile—the gamut). Use the same classification system across all interactions, and equip agents to use it consistently. Ensure that training, coaching and quality monitoring treat this aspect of contact handling as a priority.

# 3.

Graph the frequency of top drivers to identify trends. Simple line charts that show the relative occurrence of the ten or fifteen most common drivers can help identify priorities and the communicate effectiveness of improvement efforts.

# 4.

Act on what you're learning. Work with colleagues across the organization to address issues at the source. This is where specificity of drivers is so important—it's helpful to know that billing questions are causing contacts, but even more so to be able to drill down and see that relative changes related to seasonality is the main culprit. That provides an opportunity to improve how the information is presented to customers on statements.

# 5.

Communicate back to the contact center (and broader organization) the progress you are making in preventing or encouraging various types of contacts. Addressing the issues driving contacts leads to improvements in products, services, processes, roles and responsibilities, and communication. These efforts involve the broader organization (and suppliers) and inherently raise the contact center's visibility and strategic value.

Perhaps unsurprising, the top contact drivers for many organizations are consistent from year to year.

When surveyed by ICMI, organizations identified a variety of contact types that ultimately fell within three key categories of contact drivers.

1.  **General Product or Service Questions**

2.  **Problem or Issue Related**

3.  **Technical or Billing Support**

Intelligence collected in the contact center can help reduce or eliminate many of these common contact drivers.

In addition to reducing or eliminating future contact types, the right metrics and business intelligence data can empower contact center leaders to provide the best possible customer experience when a customer does have to contact an organization.

If an organization doesn't "get it right" when their customers contact them the first time, it could prove fatal for the future of that customer's relationship with the organization.

This is incredibly important as contacts are getting more complicated and the importance of the customer experience is increasing.

Customers become most upset after they've contacted an organization for three primary reasons:

1. **The agent is unable to assist or resolve their issue**

2. **They experience a long hold or delay in response**

3. **They're given the wrong answer**

These three things have the possibility of happening when contact centers don't properly align and support their people, processes, and technologies with the needs and expectations of customers, the organization, and employees alike.

Implementing the right metrics in the contact center also require a balance of these three group's needs.

The customer, the business, and the employee all want something from the contact center and sometimes, they are in conflict with each other. When selecting metrics, we need to consider whether or not we're meeting the needs of each group.

**The Customer:** "Service when they want it, how they want it, and without worry once they've gotten it."

**The Business:** "Cost efficient service that maximizes revenue."

**The Employee:** "Clearly defined expectations that make sense to them and aren't designed to burn them out.

These needs are translatable into a variety of metrics.

For the customer, we need to consider metrics that measure their experience.

For the business, we need to look at metrics that measure revenue and efficiency

For the employee, we should measure things that are within his or her control.

The fundamental purpose of using metrics is to drive improvement, so they must align with your goals and reflect the critical success factors of the contact center.

Contact
Center
KPI's

# Contact Center KPI's

A large majority of contact centers are measuring many, many things. There is a propensity for that to happen: someone sees an improvement opportunity or operational gap, believes that a report could provide visibility, and adds it to the mix.

In many cases, however, there are not similar efforts to cull down and eliminate reports that aren't helpful. And the downside of clutter is high. The information may have value, but if there is too much to absorb, your team's focus on the things that matter will be diminished.

ICMI's research on contact center metrics uncovered what KPIs are considered most and least important by today's contact center leaders.  In addition, we discovered what metrics are the most and least effective in achieving a number of desired business outcomes.

One of the most shocking discoveries of our research was that some of the most ineffective metrics are also some of the most highly measured, while other more effective metrics are just starting to see increased adoption by contact center leaders.

According to contact center leaders, the most utilized metrics are:

### Service Level/Response Time

> Measured by 95% of contact centers

### Number of Contacts Handled

> Measured by 89% of contact centers

### Contact Quality

> Measured by 88% of contact centers

### Customer Satisfaction

> Measured by 87% of contact centers

### First Contact Resolution

> Measured by 73% of contact centers

According to ICMI's research, customer satisfaction is considered to be the most important metric to the greatest percentage of contact center leaders.

So what are the measures every contact center should have? You ultimately need to establish measures and objectives that are right for your organization and customers (cookie-cutter approaches don't work). Your measures and objectives should directly support your customer access strategy, providing a baseline and specifics on how well you're delivering on it.

More specifically, there are seven key categories of measures that should be in place in any customer contact center—ordered here from tactical, to strategic:

# Seven Categories of Metrics

# Seven Categories of Metrics

1. Forecast accuracy

2. Schedule fit and adherence

3. Resource accessibility

4. Quality and first contact resolution

5. Employee satisfaction

6. Customer satisfaction

7. Strategic value

*Forecast Accuracy.*

If you don't have an accurate prediction of the workload coming your way, it's almost impossible to deliver efficient, consistent service and achieve high levels of customer satisfaction. And that's just as true for newer mobile and social interactions as it is for phone, chat or email.

## *Schedule Fit and Adherence.*

If you have a good handle on the workload, you can build accurate schedules that ensure the right people are in the right places at the right times. This is best managed from the bottom up, with buy-in from your agents, and is an important enabler to handling workloads.

## *Resource Accessibility.*

If customer contacts don't get to the right places at the right times, little else can happen. Establishing service level and response time objectives is a prerequisite to ensuring that the organization is accessible and available where and when customers choose to interact.

## *Quality and First-Contact Resolution.*

Quality is the link between contact-by-contact activities and the organization's most important high-level objectives. First-contact resolution is essentially an extension of quality—a tangible result of getting quality right. Quality measures should be applied to every type of customer interaction.

## *Employee Satisfaction.*

Employee satisfaction clearly influences, even drives, customer satisfaction and is an essential measure in any environment. Further, retention, productivity and quality often have a definable, positive correlation to agent satisfaction.

## *Customer Satisfaction.*

Customer satisfaction is essential in all environments and has greatest value as a relative measure and in conjunction with other objectives (e.g., what impact do changes in policies, services and processes have on customer satisfaction). Robust methodologies such as net promoter score or customer effort score can provide deeper insight into improvement opportunities, and a baseline for benchmarking.

## *Strategic Value.*

What contributions does the contact center make to revenues, marketing initiatives, product innovations and other primary business objectives? Measures are often focused on samples of impact in these and related areas, fueled by listening, engaging, and learning from customer interactions.

Other measures should be driven by your organization's objectives—i.e., revenue in a sales environment or contact prevention in technical support. The key is to focus on the things that really matter, while avoiding unnecessary clutter.

Of course, there's more to success than just providing the right data. The mantra, "what gets measured gets done," may provide a reminder to the importance of having necessary reports, but it's an over-simplification. You'll also need to interpret them correctly, build a culture that understands them, and ultimately, ensure that day-to-day activities and decisions support them.

Interpretation requires an understanding of contact center operations and specific contact drivers. Consider first contact resolution—higher is better, right? Actually, it depends. We've seen many cases where organizations with high FCR rates (e.g., in the mid- to upper-90 percent range) are resolving contacts they shouldn't be handling in the first place. Common examples: Contacts that should be automated, or repeat contacts that could be fixed with product or communication improvements.

Other important measures, such as forecast accuracy and service level, lose their meaning when they are averaged across a day or more. Even customer satisfaction can be suspect without some context. For example, if the contact center goes through heroics to save the day for customers reflected in a survey sample, you could be missing problems impacting the larger customer base.

In short, establishing the right metrics and using them appropriately encompasses these key steps: Build a solid customer access strategy. Establish the metrics to support it. And interpret them in context, with your organization's mission in mind.

# Forecast Accuracy Metrics

# *Primary Metric:* Forecast Accuracy

**Definition:** The percent variance between the contacts forecasted and the contacts actually received

**Calculation:** Difference between forecasted and actual. (Forecast – Actual)/Actual

**Where found:** Workforce management system, Internal reports

**Comments:** Forecast accuracy is critical to the contact center's planning, budgeting, and scheduling processes.  It is generally reported at both a monthly and interval (half-hour) level.  It should not be primarily reported as a high-level summary of forecasted vs. actual, but rather as an illustration of accuracy for each reported interval.

**Channels Measured:** All contact channels, inbound and outbound, assisted and self-service, should be planned for and measured for accuracy.

# *Emerging Metric:* Propensity to Contact

**Definition:** The likelihood or number of times customers contact the organization, typically on an annual basis.

**Calculation:** Typically, a numerical correlation between total contacts and total customers. For example, 4 would mean customers contact the organization an average 4 times per year.

**Where found:** CRM system.

**Comments:** Propensity to contact is fashioned after similar statistics that have been used for many years in economics and marketing, i.e., propensity to buy. It can be helpful in forecasting, gauging relative progress in first contact resolution or assessing marketing effectiveness. But it must be interpreted sensibly—some contacts we want, others we don't.

**Channels Measured:** Propensity to contact should be calculated for all assisted contact channels, both inbound and outbound.

# *Emerging Metric:* Right-party Contact

**Definition:** The number of genuine contacts required to reach the desired party/decisions maker.

**Calculation:** A sum of the total contacts made until the person that you are targeting is reached.

**Where found:** Dialer reports; CRM; Internal reports

**Comments:** Right party contact is the best measurement of the overall effectiveness of your outreach efforts and integrity of your contact database.

**Channels Measured:** Right party contact should be calculated for all outbound assisted contact channels.

## *Supporting Metric:* Average Handling Time

**Definition:** The average amount of time it takes to handle a contact.

**Calculation:** Average talk time + Average after-call work

**Where found:** ACD reports

**Comments:** An accurate AHT is critical for resource planning, budgeting, and scheduling training needs.  It is best used for high level purposes and ongoing tactical planning, not as a strict agent standard.  Overall, AHT is increasing as contacts become more complex and organizations focus on building better customer relationships.  AHT can be reduced by better processes and improved technologies and training.

**Channels Measured:** Average handling time should be calculated for all assisted contact channels, both inbound and outbound.

# More about Forecast Accuracy

64% of contact centers today measure their forecast accuracy and 38% of them consider it an indispensable metric.

Of the centers measuring forecast accuracy, 91% do so for inbound phone to live reps.  This number drastically drops for the other channels, with very few contact centers measuring their forecast accuracy across all of their supported channels.

Acceptable variances to forecast are dependent on the size of your agent groups, with best in class large agent groups (100+) achieving a variance of less than 5% and the best in class small agent groups (<15) achieving a variance of less than 10%.

# Schedule Fit & Adherence Metrics

# *Primary Metric:* Adherence to Schedule

**Definition:** How well agents adhere to their schedules. 1) Amount of time available 2) When they were available (compliance).

**Calculation:** Time during agents' shifts spent logged on, handling contacts, in after contact work, available waiting for a contact, or outbound contacts compared to scheduled log on time.

**Where found:** ACD reports; Workforce management system

**Comments:** An agent's adherence to schedule as a significant impact on service level performance. Appropriate in all environments as a high-level objective and individual agent metric.

**Channels Measured:** All agent assisted contact channels, inbound and outbound, should track an agent's adherence to schedule.

# *Supporting Metric:* Occupancy

**Definition:** Percentage of time agents spend handling contacts vs. waiting for contacts to arrive (inbound) or get assigned (outbound).

**Calculation:** For a half-hour: (Contact volume x Average Handle Time in seconds) / (number of agents x 1,800 seconds)

**Where found:** ACD reports

**Comments:** Agent occupancy is an important considering for budgeting and resource planning. A high agent occupancy rate can also be a critical factor contributing to agent turnover.  Occupancy is not directly within the control of agents and should not be a goal or standard for individuals.

**Channels Measured:** All agent assisted contact channels, inbound and outbound, should track an agent's occupancy.

# Resource Accessibility Metrics

# *Primary Metric:* Service Level

**Definition:** X% of contacts answered in Y seconds; for inbound contacts that be handled when they arrive

**Calculation:** (Calls answered + Calls abandoned in Y seconds)/(Calls answered + Calls abandoned)

**Where found:** ACD reports

**Comments:** Service level provides the clearest indication of what the majority of customers experience when they attempt to reach the contact center.

### *Channels Measured:*

Inbound phone                          Web call-me-now

Social media – real-time               Web click-to-talk

SMS                                     Video

Web chat

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### *Example Service Level Objectives:*

Emergency services: 100/0

High : 90/20, 85/15, or 90/15

Moderate: 80/20, 80/30, or 90/60

Modest: 70/60, 80/120, or 80/300

# *Primary Metric:* Response Time

**Definition:** 100% of contacts answered in N days/hours/minutes; for outbound contacts and inbound contacts that can be handled at a later time

**Calculation:** % of contacts answered in N days/hours/minutes

**Where found:** Response management system; CRM; Sales platform; Manual tracking

**Comments:** Response time, like service level provides the clearest indication of what the majority of customers experience for outbound contacts or those that don't need to be handled as they arrive.

**Channels Measured:**

| | |
|---|---|
| Outbound phone | Web call-me-later |
| Email | Fax |
| Social media – deferred | Postal mail |

There are three types of responses:

1)  Automatic reply

This is a system-generated response that automatically sends a reply to the customer acknowledging that the email they sent was received and informing them of when to expect a response.

2)  Agent generated response

This refers to the response the customer receives when the transaction is actually handled by the contact center. The time that elapses between the customer's original message and the contact center's response is measured as response time.

3)  Resolution/Escalation

This is a measure of when the problem or issue is actually resolved and is used in environments where the contact center's initial response may not fully resolve the issue.

## *Supporting Metric:* Abandoned Contacts

**Definition:** Measures inbound contacts that disconnect before reaching an agent or self-service response.

**Calculation:** All calls abandoned/(all calls abandoned + all calls answered) OR Calls abandoned after objective/(calls abandoned after obj. + all calls answered)

**Where found:** ACD Reports

**Comments:** Abandonment is best used in combination with other metrics vs as an independent metric. Abandons are influenced by factors that are beyond the contact center's control and are typically measured as outcomes of service level instead of a standalone measure.  Channel pivoting, when customers leave one channel for another, is a form of abandonment and can be an indication of misaligned accessibility performance across multiple contact channels.

**Channels Measured:** All inbound contact channels, including self-service, can have abandonment rates measured.

# *Supporting Metric:* Speed of Answer

**Definition:** Reflects the average delay of all contacts, including those that receive an immediate answer.

**Calculation:** Total delay / total number of answered contacts

**Where found:** ACD Reports

**Comments:** Average speed of answer is commonly used as an alternative to service level and, while it is derived from the same data as service level, it is only showing the "average" customer experience. For example, with an ASA of 20 seconds, we don't know anything about the individual experience. Were all calls answered in 20 seconds? Were half answered immediately and the other half answered in 40 seconds? With service level, however, we can determine exactly what happened. For example, if your service level is 80/20, you would know that 8 of the 10 calls were answered in less than 20 seconds. ASA can add perspective to service level, but should not be looked at as the primary measure of accessibility.

**Channels Measured:** All assisted inbound contact channels can have average speed of answer measured.

# More about Resource Accessibility

83% of contact centers today measure their accessibility and one-third of contact center leaders consider it an indispensable metric.

Accessibility by live agent is most often measured/ tracked in half-hour intervals (by 31%). The second most common interval is 15-minutes (29%).

Most contact centers today almost always meet their accessibility objective for inbound phone to live rep, but struggle to accurately meet the objective in other channels.

In particular, contact centers struggle to measure and improve the accessibility of their self-service options, with many citing that they seldom meet their objectives for accessibility in these channels.

The primary barrier that contact centers face in terms of improving their contact center accessibility is insufficient budget.

Quality &
First Contact
Resolution
Metrics

# *Primary Metric:* Quality of Contact

**Definition:** Assigns a value to the quality of how individual contacts are handled.

**Calculation:** Various methods - based on number of monitored or surveyed contacts.

**Where found:** Quality monitoring, customer surveys.

**Comments:** Quality of contact handling is a measure of the customer experience. It can be used to enhance training programs, identify enterprise-wide problems, and more! It is generally tracked monthly using a comprehensive evaluation form that features key criteria that the center identified as contributing to a quality interaction.

**Channels Measured:** All contact channels, inbound and outbound, assisted and self-service should be measured for quality of contact handling.

# *Primary Metric:* First Contact Resolution

**Definition:** Percentage of contacts that require no further contact to address reason for contact – no further action required.  Note: 100% not typically feasible or cost effective.

**Calculation:** Contacts resolved upon initial contact / total contacts.

**Where found:** Customer surveys, Quality Monitoring, Contact tracking reports, CRM, manual reports.

**Comments:** FCR provides the greatest value as a relative measure over time, as it increases customer satisfaction and cost efficiencies. Benchmark with caution, as FCR measures vary widely.

**Channels Measured:** All inbound contact channels, including self-service, should be measured for first contact resolution.

# More about Quality & FCR

82% of contact centers measure the quality of their contacts.

The most common metric for measuring a contact centers quality is quality monitoring/contact quality scores.

Contact centers are not conducting quality monitoring consistently across the channels that they support.

95% of the contact centers supporting inbound phone to live rep conduct quality monitoring on that channel.

47% of the contact centers supporting email conduct quality monitoring on that channel.

33% of the contact centers supporting outbound phone conduct quality monitoring on that channel.

28% of the contact centers supporting live chat conduct quality monitoring on that channel.

9% of the contact centers supporting social media conduct quality monitoring on that channel.

2% of the contact centers supporting SMS/text messaging conduct quality monitoring on that channel.

95% of contact centers conduct agent coaching based on the outcomes of their quality metrics.

Coaching is conducted by the agent's supervisor in 88% of contact centers, a QA analyst in 39% of contact centers, and a dedicated coach in 26% of contact centers.

First contact resolution is most often measured/tracked on a monthly basis.  The most common way that organizations measure their FCR rates is through agent input on CRM/call-tracking software.

FCR is considered a critical/indispensable metric by 16% of contact center leaders.

First contact resolution is not consistently measured across all contact channels.

   53% measure FCR for inbound phone to live reps

   25% measure FCR for email

   15% measure FCR for online chat

   14% measure FCR for outbound phone

   7% measure FCR for self-service (phone/IVR)

   5% measure FCR for social media

   5% measure FCR for self-service (web/online)

# Employee Satisfaction Metrics

# *Primary Metric:* Employee Satisfaction

**Definition:** Assigns a value to how satisfied contact center employees are with their jobs.

**Calculation:** No standard method of calculation.

**Where found:** Employee survey; Focus groups

**Comments:** Satisfied employees result in lower rates of absenteeism and turnover, higher rates of customer satisfaction and productivity, and better overall contact center performance.

# *Emerging Metric:* Employee Engagement

**Definition:** Quantitative representation of how engaged employees are with the company and in doing their work.

**Calculation:** Usually based on employee surveys, but can also incorporate actual behavior. Gallup uses a multi-question survey of 12 questions.

**Where found:** Employee survey

**Comments:** Employee engagement is not a new measure in the business world, but it has been underutilized in contact centers. That's changing. Research by Gallup finds a stunning 240% boost in performance-related business outcomes when both customers and employees are engaged. And numerous studies have found a link between engagement employees and engaged customers.

# *Supporting Metric:* Turnover

**Definition:** Measures the number of employees that leave the contact center. This should include voluntary/ involuntary and internal/external.

**Calculation:** (# of agents exiting job / avg. actual # of agents during the period) x (12 / # of months in the period) (Positive/negative turnover can be tracked separately in addition to total turnover.)

**Where found:** Internal contact center reports

**Comments:** Turnover is reflective of positive and/ or negative issues within the center. Excessive turnover can be costly. Identifying and managing to a reasonable turnover means a more experienced staff, lower AHT, and higher quality.

# Customer Satisfaction Metrics

# *Primary Metric:* Customer Satisfaction

**Definition:** Typically measures the percentage of all customers who were satisfied with the services they received.

**Calculation:** No standard method of calculation.

**Where found:** Via in or post-contact surveys; Third party outreach; Focus groups

**Comments:** Customer satisfaction is shown to be a driver of customer loyalty. Satisfied customers typically spend more and have a higher propensity to spread positive word-of-mouth feedback. It's good to drive customer satisfaction results to the agent level as they can help with training, agent motivation, or identifying opportunities with products or processes.

# *Emerging Metric:* Customer Effort

**Definition:** Customer's perception of how easy it is to resolve their issue.

**Calculation:** Numerical response to a survey question on ease of resolving the issue, often on a five or seven point scale (e.g., 1 difficult, 7 easy)

**Where found:** Post contact survey

**Comments:** Research by CEB finds customer effort to be a strong predictor of loyalty. This corroborates with ICMI research: 82% of consumers say the number one factor in a great customer service experience is having their issues resolved quickly (think *easy*).

# More about Customer Satisfaction

Survey-based, customer satisfaction scores are believed to be the best measure of the customer experience.

Contact centers do not consistently measure the customer experience across multiple channels:

83% measure the customer experience of inbound phone to live reps

44% measure the customer experience of email

26% measure the customer experience of online chat

24% measure the customer experience of outbound phone

17% measure the customer experience of self-service (web/online)

14% measure the customer experience of self-service (phone/IVR)

12% measure the customer experience of social networking sites

# Strategic Value
## Metrics

# *Primary Metric:* Contact Center ROI

**Definition:** Objectives related to the contact center's overall return on investment (ROI).

**Calculation:** No standard method of calculation. The simplest way would be to look at revenue vs expense, but this doesn't consider the insight and ideas the contact center can provide internally to their organization.

**Where found:** Variety of sources within and outside the contact center.

**Comments:** Identifies, measures, tracks, improves and communicates the contact center's impact on the organization. Beyond where revenue generation  is applicable, the contact center is able to impact the organization through customer feedback, suggestions for innovation, quality improvement and more.

## *Primary Metric:* Performance Against Budget

**Definition:** Operations managed effectively to the approved budget.

**Calculation:** Variance between budget and actual.

**Where found:** Internal reports; Financial reports

**Comments:** Assuming the budget is constructed to meet the contact center's needs, it ensures goals are achieved and the organization's mission is supported.  A common budget problem occurs when the budget is based on a set number of contacts, with no ability to flex based on volume.  We recommend using volume related budgets, which enable the contact center to staff appropriately to their workload, without fearing a negative impact to their budget.

# *Primary Metric:* Revenue

**Definition:** Tracks revenues attributed to contact center services.

**Calculation:** No standard calculation

**Where found:** Sales reports; Total orders, CRM system reports

**Comments:** This metric is only appropriate for revenue-generating environments, as it measures the contact center's ability to drive revenue. It indicates the effectiveness of up-sell and cross-sell programs, as well as sales skills training. Results are often correlated with other variables such as contact center costs, market conditions and revenues through other channels of contact (retail or direct sales force), to gauge the contact center's impact on the organizations profits.

# *Supporting Metric:* Cost Per Contact

**Definition:** Method of calculating factors impacting the cost of contacts.

**Calculation:** Total contact center costs / total contacts for a given period of time (e.g., monthly). Differentiate by channel and types of contacts.

**Where found:** Internal reports, financial reports

**Comments:** Cost per contact is an indicator of contact center efficiency, best analyzed in combination with contact volumes and average handle times. It must be interpreted carefully, as a climbing cost per contact could be good. Process improvements may result in fewer contacts, which spreads fixed costs over fewer contacts and causes cost per contact to increase.

**Channels Measured:** Cost per contact should be measured for all contact channels, inbound and outbound, assisted and self-service.

# Conclusion

The metrics that are ultimately utilized in your contact center should follow six themes to insure that they deliver the best results for your organization.  No matter which metrics you use, remember to keep these themes in mind.

**1)  Metrics should reflect your strategy.**
Your strategy defines what you think is most important and your metrics at all levels – from agent through executive – must reflect that strategy.

**2)  Metrics must be valid measurements.**
Your KPIs must be able to measure performance meaningfully and consistently. Can you use them to further the mission of your organization? Valid metrics are relevant, accurate, timely, complete, and clear.

**3)  We get ample data on some things; little on others.** Some of your metrics will be readily available and easily accessible, while others will require some "assembly" to tell the whole story. Don't only rely on the readily available metrics, as some of the most compelling information comes from the complex sources.

**4) Reports and benchmarks could conceal and mislead.** The most effective benchmarks are done internally against where you are today and where you want to be in the future.  When using reports and benchmarking data, ask questions to understand reporting periods, methods of calculation, and data sources.

**5) Metrics are interrelated.**  Changes in your contact center will often affect multiple metrics. For example, a contact center that looks to improve their self-service utilization rates may see their cost per contact in assisted channels rise as a result.  Be aware of the relationship between metrics and the impact they have on each other.

**6) Metrics drive behavior – you can expect what you inspect.**  Focus on the things that matter most to your organization and be aware of conflicts of interest. If the customer experience matters the most, do your metrics encourage the behaviors to support that?

*When you remember these things and focus on what matters most, you're certain to see your metrics become enablers of great experiences and achievements of your strategic goals.*

# About ICMI

The International Customer Management Institute (ICMI) is the leading global provider of comprehensive resources for customer management professionals -- from frontline agents to executives -- who wish to improve customer experiences and increase efficiencies at every level of the contact center. Since 1985, ICMI has helped more than 50,000 organizations in 167 countries through training, events, consulting, and informational resources. ICMI's experienced and dedicated team of industry insiders, trainers, and consultants are committed to helping you raise the strategic value of your contact center, optimize your operations and improve your customer service. ICMI is a part of UBM plc (www.ubm.com), a global events-led marketing services and communications company.

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