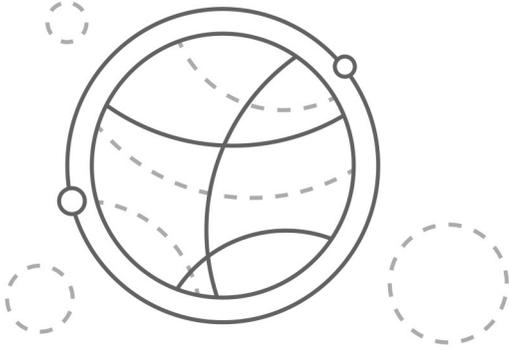


Excerpts from:

***Contact Center Management on Fast Forward:
Succeeding in the New Era of Customer Experience***
4th Edition

By Brad Cleveland



Contact Center Management on Fast Forward

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Customer Experience

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Fourth Edition

Published by:

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Printed in the United States of America

ISBN 978-0-9854611-3-3

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CHAPTER 1:

New Role, Strategic Opportunities

“I’ve learned that people will forget what you said, people will forget what you did, but people will never forget how you made them feel.”

MAYA ANGELOU

At the beating heart of every contact center are the human-to-human connections that are forged every day—tens of thousands of times over the course of months and years. Management methods, processes, and technologies (which you will learn about in the chapters that follow) are enablers. But the essence of the contact center lies elsewhere—in one person conversing with and connecting with another.

In my consulting work over three decades, it’s been my privilege to sit next to hundreds of customer service agents, across many industries, as they’ve made these connections in the course of their daily work. Sure, there are the routine interactions that neither the customer nor the agent will remember for very long, but I have witnessed many calls for help that were full of emotion and significance.

There was the homeowner who needed urgent assistance from her insurance company after a natural disaster destroyed her family's home; the retiree not sure how to access the benefits he worked for all of his life; the scared mother of a small child who accidentally ingested a household product; the manager struggling to get her computer working before the biggest presentation of her young career; the person newly diagnosed with a frightening medical condition whose outreach was the first step in the treatment journey.

If you think about it, it's amazing. When it's set up well, we can—right now—reach someone who cares and who has the expertise and resources to help.

There were many developments that had to happen to enable these connections to take place. So ... just for a moment ... let's go back and see how it all got started.

The Birth of Instant Communication

If you're in Washington D.C. and have the opportunity, consider a visit to Hotel Monaco. The ultra-high ceilings and classical architecture are amazing. The building was the city's original post office and, more significantly, where inventor Samuel B. Morse opened and operated the first public telegraph office.

Telegraph enabled the transmission of Morse code, a signaling system of short and long beeps. (You may have seen telegraph systems in historical movies.) Messages that took ships or land carriers days or weeks to deliver could now be relayed in seconds. You get a sense of the awe that this new technology inspired in the words of the first transmission Morse sent on May 24, 1844: "What hath God wrought?"

I believe Morse and others who were there that day got a glimpse into an astonishing future—instant communication across vast distances. I can only imagine their wonderment had they lived to see the communication capabilities we now carry in the palms of our hands.

The immediacy of telegraph helped inspire other advancements in communication. The telephone, invented in 1876, quickly became part of everyday life. And it had a big advantage over telegraph: it could be used by anyone, with no special training required. Its ease of use led to rapid growth—a parallel we see today in smartphones.

Immediate communication became the new normal. French artist Pierre Puvis de Chavannes wrote, “By the wondrous agency of electricity, speech flashes through space and, swift as lightning, bearing tidings of good and evil.” Historian John Brooks described the impact of the telephone on life in the first decade of the 1900s this way: “In city and country alike, the telephone was creating a new habit of mind—a habit of tenseness and alertness, of demanding and expecting immediate results, whether in business, love or other forms of social interaction.”

The First Call Centers

In the early 1900s, fast-growing demand in transportation and communication services was creating new challenges. Whether it was roads, rails, runways or relay circuits, the pressure was on to get capacity in place. And business leaders struggled to understand how these new capabilities would change customer behavior.

As the subscriber base grew, telephone companies were contending with a perplexing resource-planning problem. Human operators were required to establish connections for customers, as automated “central offices” hadn’t yet been invented. The big question was, how many operators were needed? Too few, and long waits would be unacceptable to customers. But too many would be inefficient and drive up costs.

Further complicating the issue, the calls came in randomly, driven by the myriad of motivations individuals had for placing calls. It was one thing to get physical infrastructure in place. But it was a different challenge altogether to get ever-changing calling demand and patterns accurately

matched up with the correct number of human operators—day in and day out. Service that was slow or unavailable was unacceptable to a public that had thoroughly embraced this new means of communication.

In the years that followed, many bright people would grapple with these and related resource management challenges. One of the first was A.K. Erlang, an engineer with the Copenhagen Telephone Company in Denmark. In 1917, he developed the formula now called Erlang C, which is widely used in today's contact centers to calculate staffing requirements. Others who followed Erlang worked on forecasting techniques, scheduling methodologies, measurements and objectives, and, more recently, systems and software that enable the vast range of capabilities now available.

Today's Contact Centers

Today—over a century later—even as speed and innovation have reached levels previously unimaginable, there are unmistakable similarities in the challenges and opportunities communications capabilities create. We see significant breakthroughs, from social networks that connect us in new and powerful ways to multimedia capabilities that can instantly put us face-to-face. What Brookes described in the early 1900s is as true as ever: communications capabilities have us “demanding and expecting immediate results.”

And if you manage a modern contact center, there is a familiar ring to the demands the early telephone switchboards faced. Accurately matching resources to customer needs in a dynamic, always-changing environment is an ever-present challenge. Forecasting the workload, getting the right people and other resources in place at the right times, meeting customer expectations—these continue to be key objectives and competitive necessities.

However, the value contact centers create has evolved by leaps and bounds. Today's contact centers handle work that is, in a very real sense, already escalated—the complex issues not immediately resolved through search, online resources, self-service capabilities, or other means. They

enable customers to quickly reach the help they need. And they empower the organization to listen, engage, and learn.

When fully leveraged, contact centers capture insight that enables the organization to improve products, services, and processes—and the overall customer experience. They bring order to what is otherwise an enormous challenge in serving customers and understanding their evolving needs and wants.



A Definition for Contact Center Management

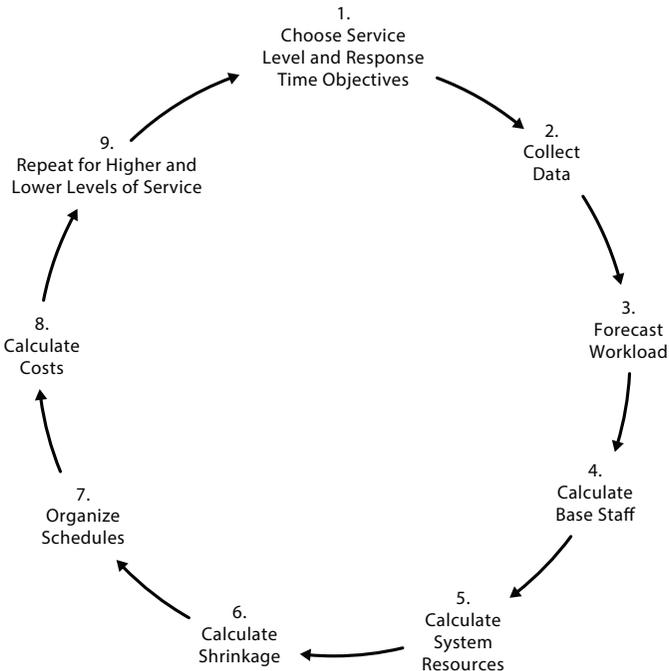
The International Customer Management Institute (ICMI) defines contact center management as “the art of having the right number of properly skilled people and supporting resources in place at the right times to handle an accurately forecasted workload, at service level and with quality.” This definition can be boiled down to two major objectives: 1) get the right

resources in place at the right times, and 2) do the right things. Let's take a look at each.

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.

The Right Resources in Place at the Right Times

To deliver consistently high levels of service, you need a strategy that defines how you will interact with customers. We'll look at the importance of developing and maintaining an effective "customer access strategy" in Chapter 2. Then, you will need a systematic planning and management process, which can be summarized in nine steps:



1. CHOOSE SERVICE LEVEL AND RESPONSE TIME OBJECTIVES.

These fundamental objectives set parameters for the two major types of interactions: those that must be handled right away (requiring a service level objective) and those that can be handled at a later time (requiring a response time objective). We'll explore these objectives in Chapter 4.

2. COLLECT DATA.

Today's contact center systems are important sources of planning data. But much of the information you need comes from beyond the contact center: what marketing is doing, how customer preferences are changing, competitive activity that may have an impact on workload, developments in the economy, and so on. We'll discuss this step in Chapter 5.

3. FORECAST THE WORKLOAD.

A good forecast accurately predicts the number and nature of contacts and expected handling times for future time periods. Forecasts should encompass all channels—phone, email, chat, social media, video, text, and others. Your plans should also account for any related work that will require contact center resources. We'll discuss forecasting in Chapter 6.

4. CALCULATE BASE STAFF.

Most contact centers use the formula Erlang C or variations of it to calculate staffing requirements. But capabilities such as skills-based routing and complex network environments present variables that may require computer simulation and modeling. We'll explore these issues in Chapter 7.

5. CALCULATE SYSTEM RESOURCES.

Staffing and system resources are inextricably linked and must be considered together. We will summarize this step in Chapter 7.

6. CALCULATE SHRINKAGE.

Once you've estimated staffing requirements for customer workloads, you've also got to be realistic about other demands on time—breaks, training, work not directly part of handling customer interactions, absenteeism, and others. We'll take a look at this step in Chapter 8.

7. ORGANIZE SCHEDULES.

Schedules are plans that specify who needs to be where and when. They should result in getting the right people in the right places at the right times. We will discuss scheduling in Chapter 8.

8. CALCULATE COSTS.

This step projects costs for the resources required to meet service and quality objectives. We'll cover budget issues throughout Parts Two, Three and Four.

9. REPEAT FOR HIGHER AND LOWER LEVELS OF SERVICE.

Preparing budgets around different levels of service provides an understanding of cost trade-offs, which is of great value in budgeting decisions. We will discuss this step in Chapter 10.

Without exception, the best-managed contact centers do a good job of resource planning and management. They have established processes that are collaborative and accurate. But of course, meeting service level objectives is just an enabler—a ticket to proceed. The real value comes from what you do with interactions once the connections are made.

Doing the Right Things—Creating Value

Doing the right things means creating value for your customers and organization. Contact centers have the potential to create value on three levels:

LEVEL 1: EFFICIENCY. Because contact centers combine or “pool” resources—people, information, and technology—they can deliver services that require the involvement of agents very efficiently. Effective forecasting, scheduling, and real-time management contribute to these inherent efficiencies. We'll look at these subjects in Parts Two and Three.

LEVEL 2: CUSTOMER SATISFACTION AND LOYALTY. Research reveals a powerful connection between high levels of customer satisfaction and business results—market share, word of mouth, profitability, and others.

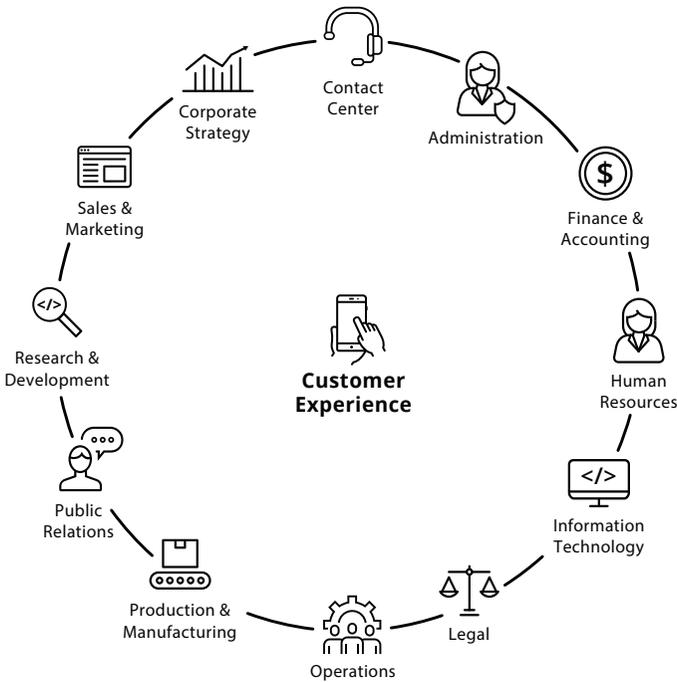
Three Levels of Value



Customers can easily share experiences through ratings and (as we all know) social media—any interaction can impact the reputation of the organization and its products and services.

LEVEL 3: STRATEGIC VALUE. In the course of handling interactions, the contact center can become a powerful source of insight (from customers, agents, and operational data), enabling the broader organization to improve products, services, and the overall customer experience. This involves virtually every other functional area.

Some organizations have discovered the true strategic potential of their contact center, and others are just beginning this discovery process. Creating more value often requires you to rethink priorities, goals and objectives, metrics, job roles, processes, how you use technologies, and other aspects of your approach. Most importantly, it involves working closely with the rest of the organization (see figure)—creating a great customer experience is a team sport! These subjects will be covered throughout Parts Four and Five.



Will the Fundamentals Change?

The technologies powering today’s always-on world, along with fast-evolving customer expectations, are dramatically changing the nature of how products and services are provided and supported. Many leaders are wondering where the trends and developments are taking us. Will the fundamentals of contact center management still apply?

Short answer: If you’ve established the right fundamentals, then yes! Let’s say you want to interact with your customers through social media—Twitter, LinkedIn, Facebook, Instagram, or others. The same planning and management steps apply. You’ll set service level objectives, forecast the work, establish schedules, develop quality criteria, and leverage what you learn from customer interactions to improve products and services.

How about communicating with customers face-to-face through video? This channel is becoming more common in customer service. And who

knows, virtual reality may one day enable customers to “beam” themselves to a chair across the desk of one of your employees. So how will that change things? You’ll need to look and dress the part for the image you want your organization to convey. But the management approach is the same. Forecast, schedule, establish quality processes, and continue to innovate and improve. You get the gist.

The essentials of getting the right people and supporting resources in place at the right times and doing the right things will never become obsolete. Tried and true principles of effective contact center management will be as important as ever.

So, how is contact center management changing? An obvious answer is that there are new types of interactions all the time. Many of these interactions put multiple contact channels in play; for example, customers may initiate the service process through online search, use self-service, then move to a combination of phone, text, chat, or other channels that involve an agent. And as a rule, human interactions are becoming more complex as routine processes are automated or prevented altogether.

Today’s contact centers handle work that is, in a very real sense, already escalated—the complex issues not immediately resolved through search, online resources, self-service capabilities, or other means.

Channels will continue to proliferate—but it’s important to keep this trend in context. Contact centers have handled multiple channels for years. The concept of omnichannel burst onto the scene as technologies and management practices began integrating channels and enabling them to work together seamlessly. The term is beginning to fade somewhat as the principles of omnichannel become widespread and assumed. But successful customer experience leaders remain focused on creating services that customers find intuitive and easy to use. This is a work in progress as new capabilities, such as AI-driven technologies, become a deeper part of the mix.

SKILLS AND KNOWLEDGE REQUIREMENTS

- Leadership and management
- Customer expectations and behavior
- Cultural aptitude
- Communication
- Queuing theory
- Quantitative analysis
- Workload forecasting
- Staffing and scheduling
- Managing variable workloads
- Project management
- Coaching and performance
- Employee engagement
- Technology basics
- Organizational behavior
- Ergonomics and workplace environment
- Industry vocabulary

Another clear trend is that contact centers will become more deeply involved (along with other functional areas) in improving customer experience. Handling interactions will be just a start. Learning from those interactions and using that insight across the organization to improve products, services, processes, and customer experience—that's where significant opportunities to add value continue to emerge.

In short, the stakes are higher than ever. This is contact center management on fast forward. If you learn the underlying principles of effective contact center management, and know how to apply them, your skills and knowledge will be in high demand. You will be ready for the changes and challenges ahead.

From Backroom to Boardroom

To managers who successfully meet the challenges, the opportunities for advancement are significant. Contact center management—once in the category of “mystical arts” or a little-understood support function—has emerged as a thriving profession.

I encourage you to approach this opportunity as it is—a profession that is advancing rapidly. That means staying in tune with industry knowledge. It means making a commitment to personal growth and development. It requires developing a network of other professionals and resources that you can count on. In short, you have to invest the time and effort necessary to build the required skills and knowledge.

You may just be getting started in contact centers, or you may have years with them. Whatever your background or level of experience, I hope that this book helps you make the most of the exciting opportunities ahead. Above all, I hope it helps you and your organization make meaningful connections with your customers. Thank you for coming along for the journey!