



CUSTOMER REACH

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Small Call Centers are the forgotten peoples?

If we were only to read the trade press and technology vendor brochures it would be easy for us to conclude that there are no call centers with less than 100 seats. The reason for this is that it is the larger centers that hold more appeal to us ...we like to view things on a grand scale. Witness our attraction to blockbuster movies and events. In addition it is with large scale call centers that technology vendors really hit their stride. Regardless of the technology we are speaking about there appears to be one consistency throughout the industry...it costs \$200,000 to get into the game you need a minimum of 150 seats to see an ROI within your lifetime. So these two facts; our human desire to see and understand centers on a grand scale and the pure economics of most of the technology vendors mean that very little is written about small centers and very few technology companies target these call centers.

But just how small is a small call center? The answer depends upon who you are speaking with. Many of the industry analysts peg the size anywhere from zero to 200, even 400 seats, but for the purposes of this article I will work with a small center as any center with less than 100 seats and a medium center between 100 and 300 seats. In fact research suggests that 50% of all call centers have less than 30 seats.

The challenges faced by the Small and Medium Call Center (SMCC) operator are in many ways more significant than those faced by their larger brethren. The small center generally has less technology, older technology. It also possesses fewer resources. Often a 35 seat call center has a manager and 1 or 2 leads who are often player/coaches both coaching and working with staff as well as fielding calls themselves. This leaves for the call center manager the tasks of supervising, interviewing, hiring, coaching, monitoring, scheduling, and forecasting in addition to dealing with staff problems and escalated calls. In large center most of the above tasks that fall to our manager in the small center are addressed by department; Human Resources, Quality Assurance, Workforce planning etc. It is perhaps not surprising that in most small call centers the manager is unable to devote the time they would like to each of these task responsibilities.


In the area of technology we also see a lot of challenges for the SMCC operator. While their large call center brethren often possess a plethora of technology tools that the smaller centers simple can't justify or afford; forecast & workforce planning systems, call logging and recording systems, speech recognition to name a few. The SMCC often only has an ACD and perhaps an auto attendant or IVR system.

Before we despair for the small center operator we should point out that there is one attribute they generally possess in disproportion to their larger siblings...opportunity. As large call center became large they were continually asked by management to 'pear down' staff, to 'improve efficiency' to 'reduce overhead' etc. This exercise took many forms with center consolidation being one of the most common. It directly leads to the acquisition of technology and the establishment of specialized departments to support the large call center. In short the large call center has



squeezed improved efficiency from the center repeatedly over the past number of years. Sooner or later there is little left to squeeze from the center without outsourcing the entire task.

The SMCC on the other hand has tended to function in more or less the same way over the same four to five year window and has not realized nor was asked to achieve the efficiencies the larger call centers delivered. This is in fact a great day to be the manager of SMCC and perhaps a better day to be a company who operates SMCC's. The opportunity orange for a larger center today has been squeezed so often and with increasing pressure in the past few years there is little juice that can be obtained today. The SMCC opportunity orange by comparison is full and plump ready to yield the sweet fruits of success to the savvy operator or manager who can tap this potential.

In future articles we will examine how the SMCC can tap this opportunity and dramatically improve performance, effectiveness and efficiency without creating new departments from whole cloth and without huge investment in technology. 

Let us know what you think of this article or any suggestions you have for future issues by email at feedback@thetaylorreachgroup.com.

History, is it important?

Edmund Burke (British Statesman and Philosopher, 1729-1797) stated "Those who don't know history are destined to repeat it." In a recent book *Decision Traps: The Ten Barriers to Decision-Making and How to Overcome Them* by Edward Russo he identifies "Not Keeping Track" as one of the ten traps that contribute to poor decision making in today society and business.

Call and contact centers are subject to this problem in spite of the fact that they generate lots of data. We assume that experience makes its' lessons available automatically. Unfortunately we believe because we know 'this' or 'that' today we will remember it tomorrow. Therefore we fail to keep systematic records to track the results of decisions. We often fail to analyze these records and results that lead us to decisions in ways that reveal their lessons

All too often in the day to day running of a center we adjust staffing, resources and focus on the issues or concerns of the day and make decisions on the fly. "Fighting fires" is a concept that every call center manager is very familiar with. Few if any notes are taken as to why those decisions are taken or by whom. Often even management meeting minutes fail to record key decisions, how or why they were made and most importantly what resulted.

It is this last item, what resulted, that is a stumbling block for many. Success has many parents, failure is an orphan. Too many people want some credit when something succeeds and too few take responsibility when decisions don't work as expected. (Decisions often don't work out as expected, but more on that later.)

A classic case of this is dealing with forecasts and expectations of number of calls or work for a period. Forecasts and actual calls differ sometimes by a little, sometimes by a lot. The small differences are of no interest to most of us as it is noise or volumes well within the expected variation of the forecast. The large differences cause consternation for all involved: those who developed the forecast, those who used the forecast and any who've an active interest in the outcomes.

A common reaction is to assign blame for an inaccurate forecast to the person or people developing it. Or to say that the people using it don't understand it's use. Or to say it was only an anomaly and not to worry. All of these approaches fail both now and most important in the future when this learning is most needed.

A better approach is to ensure that everyone understands how the forecast was developed. Was it based upon

organic growth, acquisition etc? Are or were there anomalies affecting the data i.e. a major blackout, system crash, significant price increase etc. Then you must determine what, not who, caused the difference. Was there an event, events absence of an event(s) that generated more or less calls than anticipated? Were there events unaccounted for in the forecast? If so will they reoccur and how will they accounted for in the future? In other words was the methodology used rigorous and did it account for everything that was known or understood at the time? Did it surface all the assumptions?

Second, and presuming that the event was unexpected and that the forecast was rigorous and everyone agreed to it in the first place; what can be learned or noted for the next round of forecasting and for management to consider going forward from here. Constantly challenge the assumptions that form the basis of the forecast or risk quickly losing touch with reality.

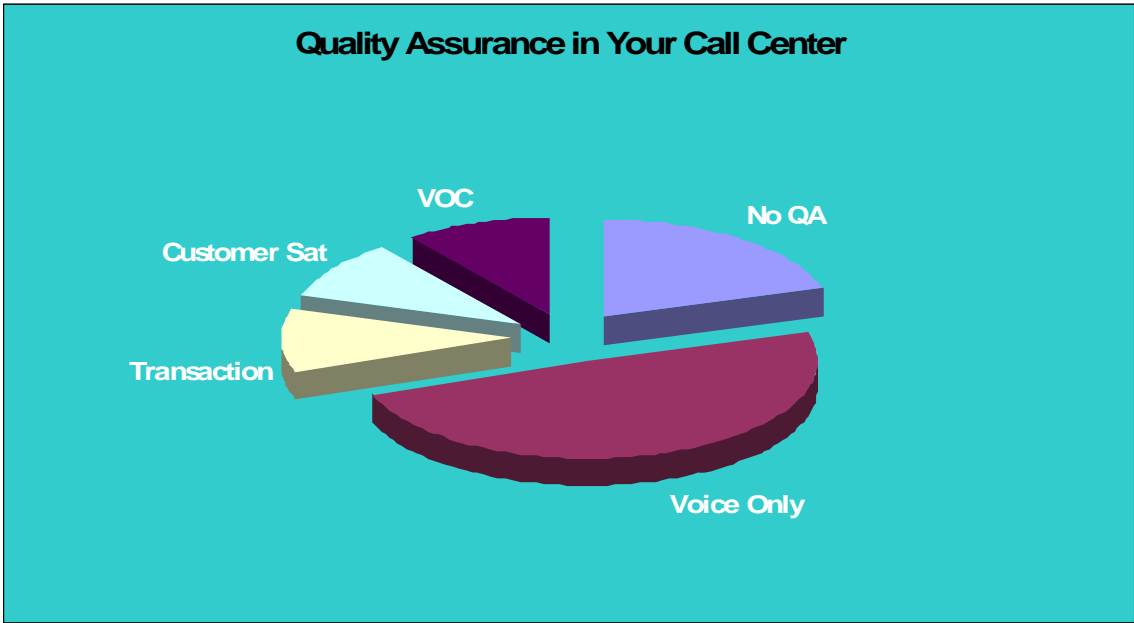
Make notes related to events that impact the forecast and raising these in management meetings ensures that this corporate learning gets embedded with everyone involved. The fact that an error of judgement or analysis happened is not important. What is important is that the group, people and corporation learn from the experience and record such in a fashion that enables everyone to get better.

Let us know what you think of this article or any suggestions you have for future issues by email at feedback@thetaylorreachgroup.com.

Poll of the Month

Each month on the TRG website (www.thetaylorreachgroup.com) we ask you to cast your vote in our monthly poll.

"What type(s) of Quality Assurance do you complete in your Call Center?"



Poll Results: Results can provide some surprises. Twenty percent of call centers who participated in our poll do not



complete any form of Quality Assurance, 48% complete 'Voice Only' QA, and approximately 10% complete Customer satisfaction surveys, Voice of the Customer programs or transactional/process analysis.

Do you have an idea for an upcoming poll? If so we would love to hear it.

Please email your suggestion to feedback@thetaylorreachgroup.com



Newsworthy

In this regular column we review the latest news, predictions and trends impacting on the Customer Interaction Industry.

China sees bigger jump in phone users

China has stated that the number of fixed line phone users is expected to rise by 30 million this year, while mobile users will likely rise by 48 million. This growth should see the total number of phone user's rise to more than 820 million. At the end of November 2005, mobile phone users in China totaled 388.16 million which is an increase of 53.3 million from the end of 2004. This shows an average connection rate of new mobile users of 4.85 million per month, every month.

Similarly, fixed line users numbered 350.8 million which represents an increase of 39 million of the end of 2004. These figures were released and verified by the Ministry for Information Industry.

Telecommunications revenues in the world's largest population are anticipated to reach 700 billion Yuan (US\$86.74 billion) in 2006.

Asia Pacific Call Centre News.

India's outsourcing industry to grow by 32% in year

India's software and services exports are estimated to grow by 32% to \$23.4 billion in the fiscal year that ends March 31, according to data released Thursday by the National Association of Software and Service Companies (Nasscom).

IT services, including software development, are expected to contribute \$13.2 billion to exports in the current fiscal year, while business process outsourcing (BPO) and call centers are likely to contribute \$6.3 billion, according to Delhi-based Nasscom. Engineering services, research and development services, and product development work are expected to contribute \$3.9 billion.

The total Indian software and services industry, including sales to the domestic market, is estimated to grow during the fiscal year by about 31% to \$29.5 billion.

Nasscom said employment in the country's software and services sector is likely to reach 1.3 million by March 31; about 922,000 people are employed in the export sector.

Meanwhile, India's outsourcing industry is riding a boom. A report released in December by management consulting firm McKinsey & Co. and Nasscom was upbeat about the prospects for India's outsourcing industry. India can sustain its global leadership position in offshoring and grow its IT and BPO industries at an annual rate of over 25% to generate export revenues of about \$60 billion in 2010, the report said.

Originally published in Computerworld.



Survey: Young Adults Tolerate, Expect Bad Customer Service

Here's a disturbing sign of the times: Younger consumers are so accustomed to poor customer service that they've come to expect it, according to a study of 303 adult, college, and graduate students conducted by Douglas Manor, NY-based consultancy Ernan Roman Direct Marketing.

The study notes that most of the students have been "raised" on automated call center menus and haven't experienced anything else. That's why they're less likely to be bothered by "menu clutter" -- length lists of phone prompts and options. Only 57% of the students surveyed said such clutter bothered them, compared with 78% of all adults. What's more, the students are less likely to have their opinions of the company swayed by poor customer service or bad contact center experiences.

Originally Published by [Multichannel Merchant](#)

Indian call centre agents form union

Seven Indian agents from different cities and companies have filed an application with the Registrar of Trade Unions to kick start the country's first call centre trade union.

Headquartered in Bangalore, the Union for ITES Professionals (UNITES), has founder members drawn from HSBC, ABN AMRO India, Sitel, Wipro Spectramind, and Teledata Informatics working in Bangalore, Hyderabad, Delhi, Tiruvananthapuram, Kochi and Mumbai. UNITES will be soon affiliated to the Indian National Trade Union Congress (INTUC) and with recognition from the International Labour Organisation already under its belt, the union will organise call centre professionals at its six chapters in various cities through meetings, workshops and distribution of pamphlets.

The initiative was spearheaded by the Swiss-based international federation of unions, Union Network International (UNI), which has 900 affiliated unions across 150 countries. "We want to be a progressive union with collective bargaining power. Our activities include organising psychological counselling, training and even taking up socially relevant programs such as training Dalit women in IT," UNITE founder J.S.R. Prasad said.

Originally published in [Callcentres.net](#) 



Ask the Experts

The following are actual questions posed to the TRG experts. You can pose your questions on our website.

Daily Metrics




Question:

“What KPI’s or daily metrics should we be looking at to make sure we are effectively managing our center?”






Expert Response:

There is no end of reports, metrics or Key Performance Indicators (KPI’s) that a call center manager can look at each day. But what are the important ones and what are they really telling me?

The most common top 3 metrics viewed by most managers are;

-  Grade of Service (also called Service Level) this is the percentage of calls answered within the targeted number of seconds),
-  Average answer speed –the average speed with which calls were answered,
-  Abandon Rate – The percentage of calls that were abandoned prior to being answered by a live agent.


From the above the manager is able to get a good ‘snapshot’ of the day in question. How we did versus our goal; (achieved 72% of the calls answered in 20 seconds versus our target of 80%, had an average answer speed of 31 seconds versus our target of 20, abandoned 4.6% of our calls versus our target of 3%). All in all this doesn’t appear to be to bad a day, below target but not horribly off. But we need to look at a few other metrics before we get to excited; What were the actual calls versus the forecasted calls? For example if we expected 7,500 calls and received 8,500 then we likely had a good day and missed service level because of the additional volumes. But what if we only received 5,500 calls versus our forecast of 7,500, clearly we would have had very significant problems if forecasted volume of calls had materialized, and why didn’t the forecasted volume arrive?. We also want to look at Average Handle Time; did we miss our service level because our call length, wrap time or overall handle time increased dramatically, if it did so, why? What about occupancy? If we expect agent occupancy to be at 85% and yet a third of our still is under 70% do we know why? Do we know what improvement in efficiency we will realize when we get all of the staff at the targeted levels? So the additional daily metrics we would recommend would include;

-  Actual Calls to Forecast,
-  Actual AHT to forecast;
-  Actual Talk Time to forecast,
-  Actual wrap time to forecast,
-  Actual agent occupancy to forecast,

Each of the top listed metrics gives you a result for the day...what happened, by assessing the bottom set of metrics you can gain an understanding of why it happened. This study of ‘why’ better equips the manager to look at target, estimates and forecasts and challenge the assumptions where appropriate and at minimum assess and understand the



implications trend data that is at variance to the assumptions.

Let us know what you think of this response. How would you have answered this question? Let us know at feedback@thetaylorreachgroup.com 

Inside TRG

Upcoming Article- Fault versus Fix

The February issue of Contact management is featuring an article by John Cockerill on 'Fault versus Fix' this article delves into an examination of the often unintended results of business and call center initiatives that drive unnecessary and potentially dangerous calls to the call center. You can visit the Contact Management magazine site at <http://www.contactmanagement.ca/index.htm>.

Colin Taylor to speak about Quality assurance in Toronto


Colin Taylor, Chairman and CEO of The Taylor Reach Group, Inc. will be speaking on Quality Assurance at an upcoming call center seminar in Toronto on April 20, 2006.

Topic- Quality Assurance; It's not just about the Agent

Many organizations view their Quality Assurance programs as exercises to assess the agents' capabilities opposite a set of predetermined conditions. This narrowly focused view can deliver value, but misses the opportunity to deliver operational innovation and significantly enhance the power of this activity. Quality Assurance isn't just about what the agents say to our customers; its about what our customers say to us, the processes underlying the call/email or web-chat and transaction, error analysis and the difference between Customer Service and Customer Satisfaction.

In this session Colin will share with you how to enhance your Quality Assurance program to deliver a 360 degree view of the interaction and leverage this knowledge to achieve operational breakthroughs within your call center. For more information email Crystal MacIntyre at cmacintyre@thetaylorreachgroup.com.

TRG Announces upcoming book

Colin Taylor announced that he and John Cockerill (Vice President of TRG) have finalized details for an upcoming book to be published by Brown Shorts Press. The book titled "Congratulations, You're the new Call Center Manager...Now what?" will be a primer for the new manager and equip them with the knowledge, tools, tactics and techniques to succeed and exceed their own expectations. The book will be published this summer. For more information on this book please contact Crystal MacIntyre at cmacintyre@thetaylorreachgroup.com 



Case Study

In this regular column we review the successes that TRG is part of.

TRG eliminates need to Outsource

TRG helped an established computer peripherals company eliminate the need to outsource their call center through Operational Innovation and improved processes

The Challenge:

This very successful computer peripheral manufacturer had seen its business continue to grow based upon the overall growth of the market and their own increasing share of the market. Each quarter brought an increase to their sales units and also an increased load upon their technical support call center. The speed of growth had almost completely hamstrung their ability to hire, train and deploy new staff in their call center and they knew they were physically running out of space. They sought out the guidance of TRG principals with a view to outsourcing 50% of their call processing requirement.


The Process:

TRG worked with the center manager to complete a complete end-to-end Strategic Assessment of all of the activities and processes operating in the center. The technology, methodology and human capital areas were also reviewed.

The Solution:

As has happened with many other firms, the root cause was not really in the increasing market share or units sold, but rather it was found in dysfunctional processes, that required the incoming calls to be handled and 'touched' repeatedly throughout the process of providing support. TRG demonstrated that a number of processes were dysfunctional and recommended changes to many of these processes that would dramatically reduce the 'touches' required to meet the customer's needs.

The Result:

By implementing the recommendations made, the company reduced the number of "touches" and the average handle time (AHT) on each call; increased first call resolution (FCR) and customer satisfaction. In addition there was such a significant reduction in total transport minutes as a result that the company eliminated the need to outsource any of their call volumes. 



The Taylor Reach Group, Inc. provides Strategic and Operational customer interaction consulting services that deliver Operational Innovation breakthroughs in Contact Center operations.

Award winning service and more than 100 years of industry experience serving 'Fortune 500' and Global 1,000 companies. Extensive North American and International experience with both captive and outsource centers.

Delivering Operational Innovation to your Contact Center

Contact Center Consulting, Customer Satisfaction, Contact Center Technology, Tele-Sales, Privacy, Supply Chain and General Management consulting services provided.

Award winning service, guaranteed ROI...Reach Beyond! 

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