



# CUSTOMER REACH®

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## Is Your Call Important?

We have heard the phrase a thousand times... "your call is important to us please hold". This is the standard message we hear when we call a company's call center. Interspersed we may hear about "an unexpectedly high call volume" and other variations on the theme. All of these messages serve to keep us informed of the call volumes impacting on the call center and thus are intended to mitigate our frustration with the call not being answered immediately. But what is a reasonable delay in answering our call... 20 seconds, one minute, twenty minutes? What event had impacted on the center and caused them to be unable to answer our call?

The general public can only guess about the underlying causes while we, in the call and contact center industry, know the truth about this guilty little secret. There was no unexpected run on the call center, no surge that caught the center blind. The reality is that there are only two likely reasons why the call wasn't answered promptly; either the management of the company has determined not to or the call center senior management is incompetent. What other reasons can there be?

### Ignorance or Neglect, your Choice

Call and contact centers produce a huge amounts of data and the center management can analyze the data and information to determine call volumes and patterns and forecast what volume of calls to expect when. This forecasting process is a basic tenant of call and contact center management.

Senior corporate executives constantly communicate a message that their customers are their number priority, yet these otherwise intelligent, savvy and effective communicators fail to support the customers when they have the opportunity...when the customer contacts the center.

I recently had to tell the CEO of a Fortune 500 company that their Mission Statement was a lie. I told him that the company's commitment to "world class customer service" was incompatible with a wait time of more than 20 minutes to get a phone call answered. Perhaps this wasn't the best way to begin a consulting engagement and certainly this wasn't a pleasant conversation of either of us, but it was the start of a process that today has this company answering their calls within their stated service level parameters.

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So let's examine the reasons why companies don't answer our call in a timely manner. First let's look at why a company would neglect and alienate their primary asset: their customer.

### **Familiarity breeds contempt**

The nature of contact and call centers provide some insight to this problem. Call centers in particular employ a device that we use and take for granted each and every day...a telephone. We have grown up using the phone, we don't see this as complicated technology. We view the phone as a basic everyday item. This point of view can lead us to not fully appreciate the challenges and dynamics that come into play when you put 10 or 20 or 300 phones and agents together in a room and ask them to service customers. As I was once told by a senior VP at a packaged goods company, "we don't need your help to answer the phones, I have one of these at home", he said while holding up his telephone set, "I use it every day". This familiarity can breed contempt. If instead of a telephone, we were employing some 'black box' technology with a catchy three letter acronym (TLA), then we wouldn't be so eager to dismiss the complexities and subtle nuances that managing incoming calls can present.

A second root cause for the lack of focus on meeting customers needs when they phone the call center may be traced back to the evolution of the call center itself. In many organizations call centers weren't planned. They just sort of happened. A ringing phone prompts all of us at home or at the office to ask, often out loud, can somebody get the phone. The same process occurred in offices leading to more people and more resources being deployed to 'answer the phones'; pretty soon you have a call center.

This background may be interesting, but still doesn't explain how otherwise savvy and bright executives end up in a situation where they are at best complicit in and at worst intentionally creating an environment certain to alienate their customers. Research shows that customers judge a company based upon their experience with that company's call or contact center. In fact 92% of consumers in a recent Perdue University study said they judge a company based upon their experience in dealing with the call center. A Transversal study provided even more distressing news: 54% of consumers had a higher opinion of a company before they contacted the company call center than they had after their call center experience.

Senior executives in many organizations are forming opinions and making decisions based on faulty information. One of the most common myths we have seen is "It costs too much to provide good service" This is patently incorrect. Consider this not so hypothetical example.

### **The Death Spiral is not a Strategy**

A company is having difficulty answering their phone calls. So the average speed of answer (ASA) increases. With the increases in ASA comes a matching increase in the frequency of customers mentioning and complaining about their wait time. This increase in complaints increases the average handle time (AHT) that a call takes to be completed. This increase in AHT means that an agent handles fewer calls in each period and the ASA for new incoming calls increases again. Also as the AHT increases so does the cost for each call handled and the budget is consumed exponentially. Meaning that fewer resources can be deployed to handle future calls. This cycle as you can see can cycle over and over creating a call center 'death spiral'.

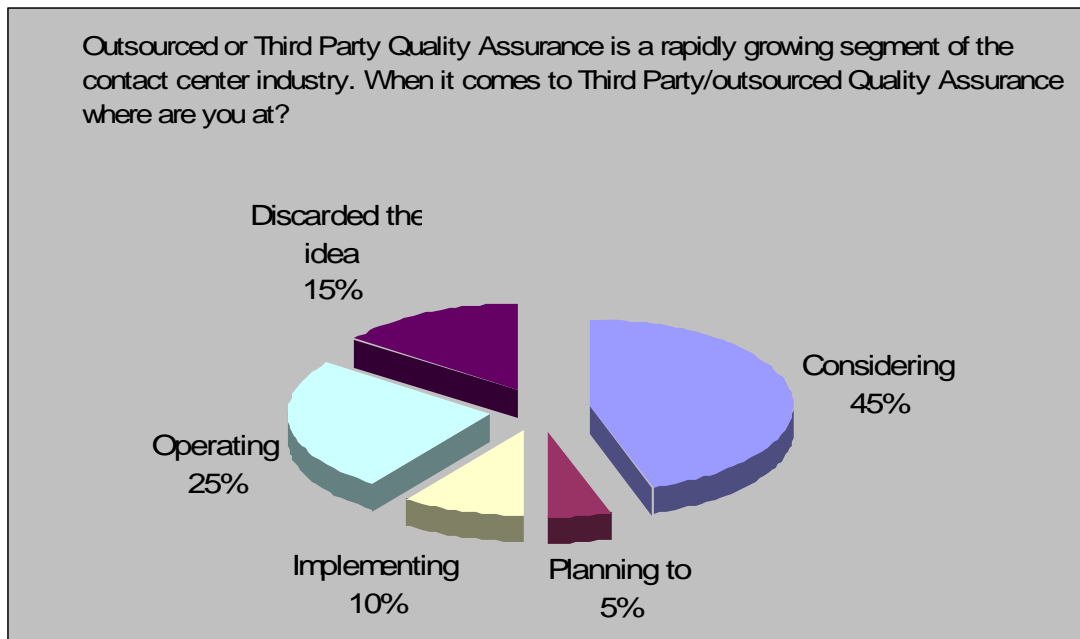
We would love to hear your thoughts and comments on this article. Please let us know by emailing us at

[customer@thetaylorreachgroup.com](mailto:customer@thetaylorreachgroup.com) .





## Survey of the Month




We received more than 144 responses to this survey.

### Survey Results:

With one out of four survey respondents presently employing third party quality assurance this service appears to be becoming mainstream. A further 15% are implementing or planning to implement. A similar percentage have assessed and discarded the idea. The remaining 45% are considering whether outsourced or third party quality monitoring will benefit their companies.

TRG is presently completing a more detailed research study on third party outsourced quality. Contact Crystal MacIntyre at [cmacintyre@thetaylorreachgroup.com](mailto:cmacintyre@thetaylorreachgroup.com) if you would like to receive a complimentary copy of the report summary.

Visit the TRG website [www.thetaylorreachgroup.com](http://www.thetaylorreachgroup.com) and weigh in on this month's survey: Do you have an idea for an upcoming poll? If so we would love to hear it. Please email your suggestions for future surveys to [feedback@thetaylorreachgroup.com](mailto:feedback@thetaylorreachgroup.com) 

## Will Hosted Solutions Change the Workforce Management Paradigm?

Labor is the single biggest expense in the operation of any call or contact center representing two thirds of the total budget, yet thousands of centers today still rely on 'by guess and by golly' methods of scheduling staff. Of course many large and well run centers employ robust 'best of breed' workforce management solutions from companies like Aspect, IEX, Blue Pumpkin and Pipkins.

But where does that leave the smaller center operators? All too often they stare at the weeks' schedule, hoping that this weeks volumes will not be too dramatically different so they don't have to adjust anyone's schedule or hope for new staff.



There are numerous work-arounds, rules of thumb and guesstimates of volumes that are employed by smaller centers. There are also a number that are employing the erlang add-in for Excel to map and forecast demand. But the big challenge for small center still remains “who do I get to work, when, to meet our service level?”

A recent ACA Research survey in contact centers over 100 seats indicated that they rated workforce management the most fundamental component of performance optimization. The same survey showed that centers of less than 100 seats aren’t utilizing workforce management as much as they could. Price has historically been the biggest single barrier to smaller centers using workforce management tools effectively. Workforce management when employed effectively can result in significant efficiencies and generally sees labor productivity improvements of 7.5% to 12%. On a center with a labor budget of \$3.6 million annually a 7.5% improvement represents \$270,000 in savings.

Today there are an ever increasing number of players offering Hosted solutions. These companies allow you to ‘pay as you play’ and thereby eliminate the hundreds of thousands of dollars of cost that big box solutions can cost. As you would expect of course the Big Box players do offer some features and capabilities that the hosted solutions can’t match, but what can you expect for a few dollars a month per agent?

Min by Shift
Min by Time
Time to Shift
Traffic

### ERLANG CALCULATIONS

Assistant, South

LOAD:  calls per hour, with an average of  seconds handling time.

SERVICE:  % of calls to be answered within  seconds.

RESULT:  agents required on

	Day of Week	Time	CPH	AHD	DSL	ASA	Req	Last Calc By	
<a href="#">Edit</a>	Monday	10:00	2000	180	90	20	110	17 Oct 2006 21:00	<a href="#">Delete</a>

There are a number of specific benefits that a hosted workforce management solution can provide. These benefits include;


- Lower total cost of Ownership,
- Reduced operating costs,
- Scalable environment,
- 7x 24 access and availability,
- Robust and reliable infrastructure,
- Enhanced features such as;
  - SMS notifications,
  - Shift swapping,
  - Holiday and vacation management,

One of these solutions came across my desk recently and I was impressed. Scheduling Staff Inc. offers a robust erlang traffic calculator that provides all of the functionality we would look for in a calculator. It also has the ability to build your day and week in day parts that display consecutively on the page...no more cutting, copying and pasting or rekeying! What is more the resultant data maps quickly and easily to your staff availability pages allowing you to ensure that you assign the appropriate staff to meet your volumes and service level commitments.



There is an old adage, "you get what you pay for", but I believe today that hosted scheduling and workforce planning solutions are rewriting the cost paradigm. TRG has built custom staffing and scheduling systems for clients. But the new hosted solutions will likely meet the needs of most small centers at a price and payment terms and an ROI worth looking considering and trying. The activities of full time analyst working in Excel can be dramatically reduced, saving headcount. Companies can delay or forego altogether capital expenditures in a big box solution by leveraging a tool such as these hosted programs. Of course the prices may vary, but Scheduling Staff Inc. offers their solution for \$2.40 (US) per agent scheduled per month, and this is only applicable after a 60 day free trial.

You can visit the Scheduling Staff, Inc. site at <http://www.schedulingstaff.com>

We would love to hear your thoughts and comments on this article. Please let us know by emailing us at [info@thetaylorreachgroup.com](mailto:info@thetaylorreachgroup.com) . 

## Newsworthy

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

### One in ten call centres infiltrated by criminal gangs

More criminals are infiltrating Scotland's burgeoning call centre sector to steal customer account details than ever before. According to the Scottish Business Crime Centre (SBCC), there has been a dramatic increase in data fraud and identity theft — or internal compromise as it is also known — and it is now a "major concern." Police forces north of the border are aware of several live incidents in the Strathclyde region where criminals are moving between call centres and walking out with lists of hundreds of names and personal details — without any legal consequences. Strathclyde Police has reported that one in 10 of Glasgow's call centres has been infiltrated by criminal gangs. Alex Kelly, assistant director of SBCC, said: "We know there's an issue with internal compromise, where on occasion, people are getting specifically placed in call centre operations — primarily in Scotland's central belt. It is a major concern. They are put in to take lists of names and account details and they are paid by organised crime gangs to do that. This is valuable information, worth substantial figures of money. Compromise of staff is a real issue and it's coming more to the fore because of the increase in call centres. People approach genuinely honest call centre workers but make them a one-off offer they can't refuse — by giving them a couple of hundred pounds for a list of names that they have access to, for example. The next thing they know, however, they're trapped. Again, we know of several ongoing cases of this sort happening at the moment." Kelly also admitted that it was alarming that the criminals were being sacked rather than prosecuted in a bid for the companies involved to save face with their customers. He added: "These companies can't afford something like that being made public. It would affect their reputation too much and leave their customers very anxious whenever they are dealing with them. Companies will stay very, very quiet for commercial reasons. Sometimes they probably know that they have an internal issue. The criminals are then offered the opportunity to move on somewhere else and repeat the crime at another call centre. Why should they care if they have been sacked? They are just doing their real job. However, the nature of the call centre industry is that contact centres frequently need people quickly to cover short-term campaigns." The problem in Scotland is now so severe that the SBCC has enlisted the Customer Contact Association to become part of the Scottish Police and Financial Sector Security Group (SPFSSG) before the problem spirals out of control. However, the Customer Contact Association has played down the extent of the problem but admitted it was a concern.

eCCF

### Shame of 21 million lost calls

TWENTY one million phone inquiries made to call centres run by the Department of Work and Pensions went unanswered in just one year. The scandal emerged after the DWP replaced hundreds of local offices with 62 call centres to save £375million. As a result, 44 per cent of all calls to Jobcentre Plus, the Pension Service and the Disability and Carers Service were not answered in 2004/5. The Commons Public Accounts Committee said: "The service has often been unresponsive, over complicated and unreliable. It has got to change." It pointed out there were 55 separate numbers for public inquiries. The DWP said: "This year we have taken 22 million calls and answered more than 90 per cent very quickly."

**The Mirror**



## Contact centre nurses slash sickies

Sick leave rates have been slashed by up to 45% at companies signed up to the Sydney-based Direct Health Solutions (DHS) contact centre. The system requires staff to call a 24-hour nurse hotline when they want to take time off work, rather than reporting to a line manager. When nurses suspect callers are malingering, a formal absence assessment is undertaken to evaluate their "illness" and a return-to-work meeting with their manager may be arranged. Psychologists also take calls, especially from those suffering from stress or mental problems. Excuses have ranged from "I can't come in today because I'm still drunk" to someone who was advised to go straight to an emergency department after displaying symptoms of an impending heart attack. DHS managing director Paul Dundon estimates a quarter of people who call in sick are not genuinely ill. "The whole idea of having nurses here is to deter people from throwing sickies, because it's harder to pull the wool over their eyes," he said. "But most people who call really are sick, and we offer them advice and support."

**Callcentres.net**

## 20% to 50%+ of new staff leave in just 3 months

A recent poll conducted by Call Centre Helper found that 23% of responding organization said that half of their new staff leave during training or probation. 44% said that between 20% to 50% of new employees leave during this time period. Only 33% reported that less than 10% of new staff leave in their trial phase.

**Call Center Helper**

## Career Opportunity

Periodically TRG is asked by a client to assist them in recruiting call and contact center management expertise. The opportunity is one such example. This position is based in the South East US. If you are interested in being considered for this role please email your resume, background and salary expectations to [careers@thetaylorreachgroup.com](mailto:careers@thetaylorreachgroup.com).

### Contact Center Management

#### The Opportunity:

This role is to lead the current 50-/+ agent operation for a major international charity. This is a management position with presence and reporting to the senior management. We are looking for someone with proven contact center experience and success.

One of the fastest growing charities in the country and is internationally recognized with a top tier brand awareness. This ecumenical faith based organization is located in the southeastern United States.

The Contact Center position is responsible for managing customer service personnel and achieving contact center operating objectives. He/she will ensure the development of excellent people and processes and continual improvements in performance, productivity, and conformity to organization policies and mission.

#### Responsibilities:


- 1) Contact Center Operations – Manages and directs all aspects of a blended multichannel Contact Center operations.
  - a) Policy & Procedures
    - i) Responsible for maintaining Contact Center goals and standards
    - ii) Develops, directs and reviews Contact Center policies and procedures.
    - iii) Develops and monitors service metrics, volume and delivery
    - iv) Prepare budgets and plans based on operational forecasts
    - v) Works closely with other teams and departments within organization to facilitate effective mission communication to all audiences.
  - b) Operations
    - i) Ensures proper systems and controls are in place adequately meet and maintain service levels and KPIs within the center.
    - ii) Reports to senior management all aspect of operations quality, quickly surfacing any issues that affect the brand and reputation of the organization.
    - iii) Monitors and administers workload and work schedules to ensure departmental quality and productivity goals are met.



- iv) Reviews and refines current processes/procedures/tools, identifying new opportunities and developing methods to improve overall efficiency and quality.
  - v) Works with other members on implementation of new programs and services, in support of overall department and mission objectives.
  - vi) Responds to and resolves escalated client issues with good judgment and emphasis on customer satisfaction.
- 2) Personnel
- a) Coaches, trains and develops of supervisors and team leaders as well as handles employee/personnel issues.
  - b) Tracks performance records, conducts reviews and assists HR with scheduling, vacation requests, terminations and absences.
  - c) Supports employee development through training, formal and informal coaching and performance appraisal.
  - d) Fosters spirit and high employee morale with assistance of team leaders

**Qualifications:**

- Bachelor's degree (B.A.); and 5 to 7 years related experience with direct management responsibility for all operational aspects of a medium to large multi-channel contact center.
- Understands all aspects of leading a top multi channel, contact center; People, Process, Technologies, Methodology
- Proven success in developing and managing operations goals and metrics.
- Understanding and capable of applying statistical process control methodology
- Analytical fact based decision making
- Outstanding interpersonal analytical and problem-resolution skills.
- Extremely strong written and verbal communication skills.
- Experience with Not for Profit organization, donations and charity contact center environments a plus
- Demonstrated success working independently, and as part of a team.
- Proven leadership skills – individual and team leadership experience
- Demonstrated success in maximizing large team performance and productivity.
- Strong computer skills, including knowledge of Microsoft Office, programs, the Internet, search engines and browsers.
- Ability to handle multiple assignments with effective resolution of conflicting priorities in a fast paced environment.
- Ability to think creatively in the development of ideas/solutions that will contribute value in a dynamic, mission centric environment.
- Strong Telecommunications knowledge especially VOIP an asset
- Experience with Staffing – Recruiting, Hiring, Training, Retaining, developing, succession planning
- Scheduling experience with contact center staffing models (understands the process, practice and the technologies)

If you are interested in being considered for this role please email your resume, background and salary expectations in confidence to [careers@thetaylorreachgroup.com](mailto:careers@thetaylorreachgroup.com) . 

## Ask the Experts

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

### ***Trough of Despair***

**Question:** “I was a meeting the other day where one of the Managers suggested that the biggest challenge with an oncoming initiative was going to be the ‘Trough of Despair’ and I had never heard this term before. What is it and how will affect our call center project”

### **Expert Response:**

The term ‘Trough of Despair’, refers to a common occurrence with any new project or initiative. The name originates with the decline in benefit or effectiveness that is often seen after initial success. This can occur for a number of reasons including underlying operations, alignment or process issues, but often can traced directly back to a reduction in management support and attention to a project.

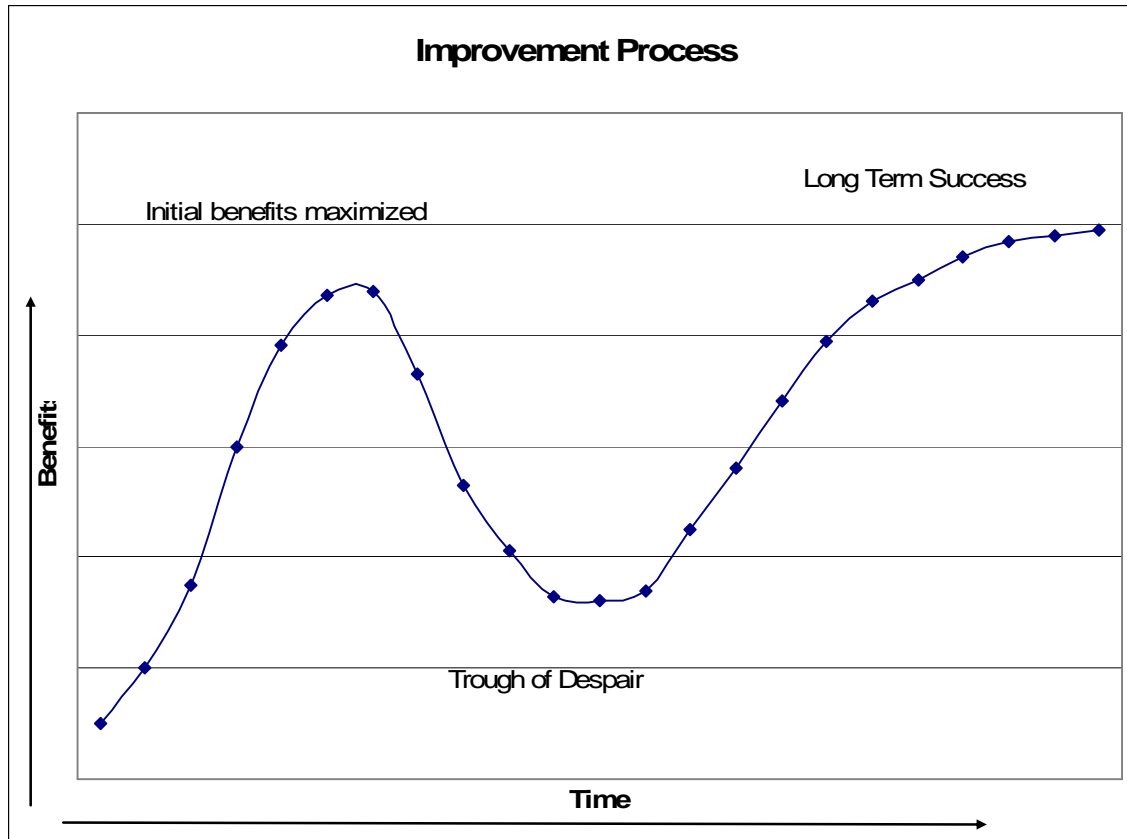


At TRG, we believe in happy endings.  
To turn your call centre problems into personal and professional triumphs, just call  
**Colin Taylor at (905) 426-5055 or visit us at [www.thetaylorreachgroup.com](http://www.thetaylorreachgroup.com)**



31 Barr Road, Suite 2 Ajax, Ontario L1S 3Y1






The following is a pattern we have seen hundreds of times... a company announces a new and significant new initiative, complete with employee communications, staff meetings, banners, golf shirts and contests. The level of management and involvement of the senior managers is palpable and evident to all staff. The program succeeds wildly out of the gate and very quickly begins to deliver the expected and forecast benefits. But then the results tail off and the benefits attained seem to erode quickly. This erosion occurs in many cases very close to when the senior managers move on to another project or task. It is as if the senior staff says to themselves, “there well that’s done on to the next challenge”.

What is generally happening however is a combination of events. Yes the senior managers have reduced their involvement and their public profile to other staff. The contests have ended. Any associated launch incentives have also come to a close. It appears to the line staff that this is no longer a priority. As a result the results and benefits are diminished and settle into a trough.

Once recognized the managers realize that success is an on-going process and requires on-going support so they introduce on-going staff communication, new metrics to recognize the best performers, enhanced training and staff support and regular updates from the senior managers. This again begins the process up the benefit curve and leads to long term success if the initiative is sound.

Of course if there had been better planning in advance by the management group they would have realized that it takes time to form any habit or to habitualize any behavior. Big splashy announcements, contests and incentives will achieve short term focus and short term results. These benefits however, vanish once the honeymoon period ends. Developing a sustainable in your center requires that you develop and drive adoption of a new way of doing things with all of the support systems, metrics and motivation. By doing this you can avoid the ‘Trough of Despair’.

How would you have answered this question? Let us know at [feedback@thetaylorreachgroup.com](mailto:feedback@thetaylorreachgroup.com) 



## Inside TRG

### TRG Compendium of Contact Center Knowledge Volume 3 - Published

Delivering Operational Innovation to Your Contact Center: A Compendium of Contact Center Knowledge Volume 3, has just been published by The Taylor Reach Group, Inc., (TRG).

This 105 page book is a compendium of the popular TRG newsletter Customer Reach® which has a readership of more than 5,000 contact center executives around the globe. Compendium Volume 3 covers Customer Reach® issues from November 2005 to October 2006 and features articles on a broad range of call and contact center topics including;

- Third Party Quality Monitoring,
- Building Contact Center Budgets,
- Developing and maintaining Quality programs in a Contact center,
- Attrition Management,
- Trends for the Call Center Industry,
- Root Cause Analysis in contact centers,
- Effective Call Center management,
- Outsourcing,
- Managing small call centers,
- Quality calibration,
- Customer Satisfaction,
- Developing a Call Center Strategic Plan,
- Developing an RFP,
- Voice mail as a selling tool,
- Workforce management,
- Distributed Call Centers,
- Aligning Internal and External Quality measurements,
- Change Management and the Trough of Despair,
- Contact Center metrics and KPI's,
- Web chat,
- Posting daily results,

Plus case studies, surveys and news related to call and contact centers.

This book is an invaluable resource tool for anyone who is engaged in managing and operating a call or contact center. Delivering Operational Innovation to Your Contact Center: A Compendium of Contact Center Knowledge Volume 3 may be purchased from TRG for \$69.95 (US\$) or \$77.00 (C\$), plus \$5.00 Shipping and Handling. All Canadian orders will be subject to 6% GST. Orders of 10 copies or more will receive a 10% discount.

To place your order today call or email Crystal MacIntyre at 905-426-5055 or [cmacintyre@thetaylorreachgroup.com](mailto:cmacintyre@thetaylorreachgroup.com)





## Case Study

*Assisted a Major bank to review its' Customer Interaction processes and identified more than \$5 million dollars of operational efficiencies*

### **The Challenge:**

A national network of call centers, significant staff turnover, unhappy customers, uncertainty regarding the benefits of outsourcing and challenges associated with delivering the value they sought from their call center channel. These were some of the challenges facing one of the largest financial institutions in Australia when they began speaking to Colin Taylor.

### **The Process:**

Colin and his team of consultants began at the beginning, a Strategic Assessment a full end-to-end review of each of the 'moving-parts' within the call center infrastructure. The sweeping engagement assessed the people in the call centers, their skills and competencies, the processes, procedures, operational methodologies, technologies, quality and service practices and business objectives. With a number of centers and thousands of agents this was a significant exercise in terms of scope.


### **The Solution:**

The bank employed state of the art, best of breed technologies and had invested heavily in self-service and workforce management solutions. Their operational methodology was based on a very successful internationally accepted model...so what was the problem?

There were fundamental gaps in the process maps and invalid assumptions being employed in defining the objectives and means to attaining these objectives.

By vetting and re-engineering the process maps, procedures and operational methodology we ensured that the objectives of the organization could be met. In the process we streamlined the use and application of the existing technology and implemented a limited outsource relationship, both of which improved efficiency and reduced expense.

### **The Result:**

The bank improved its customer satisfaction, reduced turnover and leveraged enhanced benefits from their technology investments. In addition they established an outsource relationship that allowed them better control on the call patterns arriving in their captive centers which improved the center performance, as well as employee morale. The re-engineering process improvement, leveraged technology and outsource combined to total more than \$5,000,000 in annual operational cost savings! 



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**The Taylor Reach Group, Inc. provides Strategic and Operational customer interaction consulting services to call and contact centers around the globe. TRG develops solutions that deliver Operational Innovation breakthroughs in Contact Center operations.**

**Award winning service and more than 100 years of industry experience serving 'Fortune 1000' companies. Extensive North American and International experience with both captive (in-house) and outsource centers.**

### **Delivering Operational Innovation to your Contact Center**

**Contact Center Consulting, Customer Satisfaction, Contact Center Technology, Sales & Telesales Consulting and General Management consulting services provided.**

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