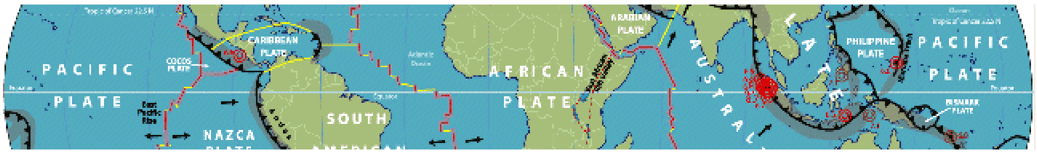


What Will They Ask Us in 10 Years?

A recent study of Scandinavian contact centers highlights challenges (and opportunities) that are common to centers throughout the world.

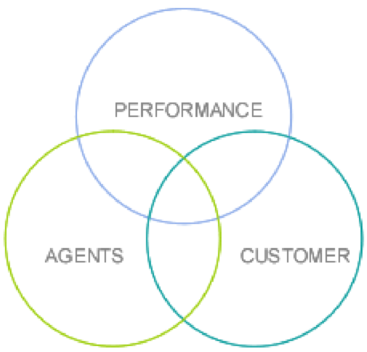
By Mats Rennstam

In 10 years, will they ask us, “How did it get this bad? Why didn’t you listen to your customers when they obviously weren’t treated well enough already back in 2007?” Or, will they say, “WOW! How did you manage to turn the trend around despite such tough demands on cutting costs!?”

I spoke at a Nordic conference in Oslo last week and saw 300 engaged and ambitious contact centre managers turn up to discuss improving our business. I think we will have the pleasure of answering the second of those questions posed above. But, there are big challenges ahead and they are the same all over the world. We now need to start measuring the right things to make sure we’re heading in the right direction.

The other keynote speaker at the event was Brad Cleveland, and I couldn’t agree more with his recommendations on the KPIs to use for managing your contact centre and driving value (for a summary, see A World of Measures). The fact is, they apply in Europe, the U.S. or anywhere else equally well. Cut the many traditional performance metrics down to the most relevant ones (e.g. strategic contributions, customer satisfaction, first-call resolution, etc.) and then test them with a question: Do they drive our strategic targets? Work to define the value you deliver to the company, quantify it if possible, and use it to raise the status of the centre within the organisation.

Then onto something new to many centres: you need to monitor and improve employee satisfaction as well as making sure your customer satisfaction is good enough to increase customer retention. Only through finding the balance between the three areas – performance, employees and customers – will you keep the CEO, agents and customers happy.



However, *traditional customer surveys just aren't good enough for contact centres*. For them to have an impact on the performance and thus on customer satisfaction, they need to be broken down to be accountable. If they only reflect an overall result and not that of the agent or at least the team; they just won't drive change. So do your own, do them quickly after the contact and feed the results back to the teams to drive change.

FEEDBACK

We’ll be posting reader feedback with each future issue. Send stories, comments, feedback, corrections to globalreport@icmi.com.

Employee satisfaction and engagement has a direct effect on both customer satisfaction, agent attrition and other internal KPIs. We also obviously want to work in a nice environment and that is a challenge for the whole industry; to change the perception of what it is like to work in our centres. Measure employee engagement/satisfaction, and you'll also get a motivational boost just from asking how they feel and what they think.

At Bright we strongly feel that if we all start to measure these three areas individually as well as finding links between how they drive each other, the question in 10 years will be, "Wow, how did it get this good?!"

Highlights from Bright Survey of Scandinavian Contact Centres

Bright produces a leading benchmarking survey for customer contact centres in the Nordic region. Over 600 audits have been carried out, and the following are key findings from the most recent survey in 2006.

Costs

• Cost per call continues to fall for the second year in a row. This is due to a combination of increased agent productivity, operational costs having decreased and an average self service level now at over 40% (and in the banking sector as high as 70%). However, the numbers of lost calls in self service also continue to rise (now at 20%), as well as the number of companies worrying about losing out on opportunities to sell on inbound calls and building customer loyalty.

• Email handling is still more costly than voice due to such things as bad processes, not using email templates and no skills-based routing for this channel.

Resourcing

• The number of agents per coach is slightly decreasing which is good news. When analyzing correlations between this KPI and others, Bright found that the centres with 8-15 agents per coach had:

- 10% higher ready time
- 5% higher availability and
- 5% higher FCR

Quality

• Availability is on the rise, and on average the centres now "only" lose 11% of all calls, and let the customers that do get through wait 70 seconds. The results however vary enormously from sector to sector.

• Despite a bigger focus on FCR (first-contact resolution) we don't see an overall big improvement here. The simple reason is that most centres still don't track and evaluate the root cause for why the customer calls.

• Training days per agent continue to rise.

Sales focus

• We see both an increased focus on sales on inbound calls as well as results. This is actually starting to drive quality metrics as well, so it's good news for customers believe it or not. Centres are finally waking up to that if you don't have your internal quality KPI's in order, then you are going to struggle to sell on inbound calls.

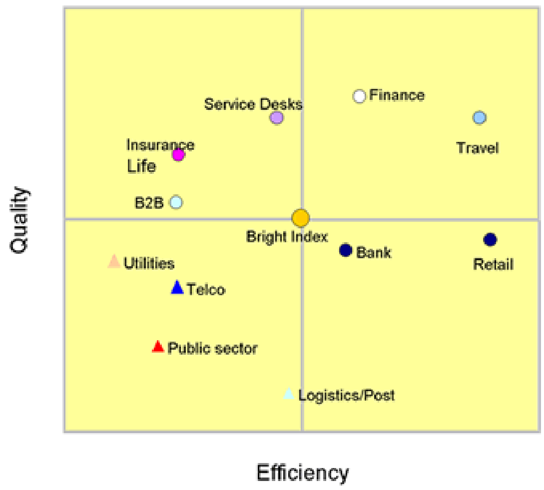
Application

Let's take 100 inbound calls and apply the average figures for the industry: 10 calls aren't answered, 12 calls aren't answered quickly enough, and 15 calls aren't resolved on the customer's first contact. We have then lost 37% of our sales potential before we've even started to try selling. These numbers need to be taken into account both when calculating what service levels you can afford, and what sales volumes you can expect. As always, start with measuring properly and benchmark.

Bright Index Matrix ™—Sectors January-July 2006

Through weighing the most relevant quality KPI's (such as abandonment, hold time, FCR, customer satisfaction, etc.) and efficiency KPI's (such as costs, productivity, utilisation level, etc.) we can plot the results of all participants against each other as well as the results of different sectors. Results are based on 75 centres' performance January to June 2006.

The average result of all participants is in the middle and best performing sectors in the top right hand corner.



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