

"Performance Conundrum" Quality – Productivity – Sales

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I visit dozens of call centers each year and every time I meet with management teams I start by asking the obvious question. What is important to you and how are you measuring the result? Usually, the discussion will lead to:

- How well is your center performing?
 - Productivity;
 - Quality;
 - Sales.
- How do you know which teams are working well?
 - Key Performance Indicators (KPIs).
- What is the overall performance measured from 0% to 100%?

What would it mean to you if you could maximize your Quality, Productivity and Sales results in terms of:

- Dollars?
- Time?
- Service Levels?

Here's what I hear every time:

- "We could do more";
- "We are doing well";
- "Most likely operating at about 80-90% of what's possible".

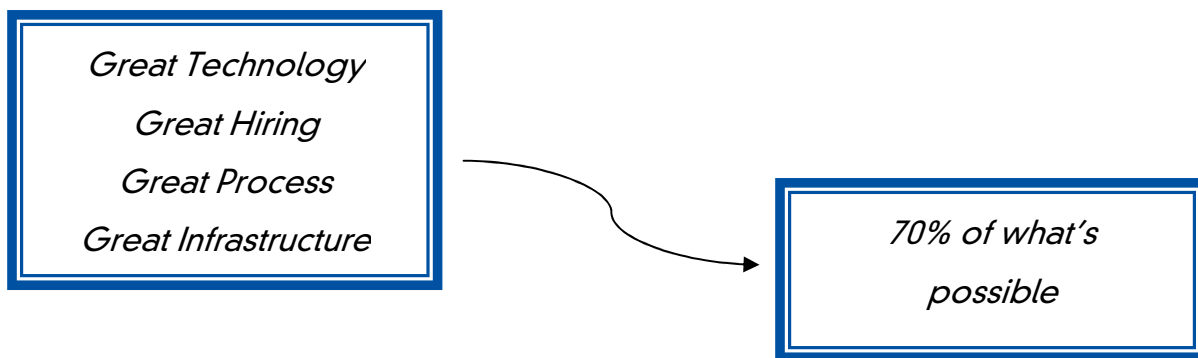
I have spent over 20 years exploring the performance of call/contact centres and here's what I know to be true!

Today's centers hire competent people. Management spends time on induction training and provides "Incubation Bays" to bring agents along in their Knowledge and Skill development. They buy sophisticated Automatic Call Distributors (ACDs), Quality Management (QM) systems, Workforce Management (WFM) solutions, telecom routing infrastructures, speech analytics, and Interactive Voice Response (IVR) solutions as well as implement self-serve strategies. Typically, they will create some dashboard or reporting system to capture and present all data from reams of data sources to help Team Leaders to manage performance. Unfortunately, this is often a case of too much data, which has not been properly segmented.

Call Center managers will find great locations with desirable ergonomics and provide a management structure that includes ongoing training, coaching, self-help systems, Team Leader – Team Member ratios of 1:15 and processes to help guide agents in their quest for high-performance.

In reviewing the list of items above you would likely come to the natural conclusion that all of these best practices will produce great results.

Think about it!



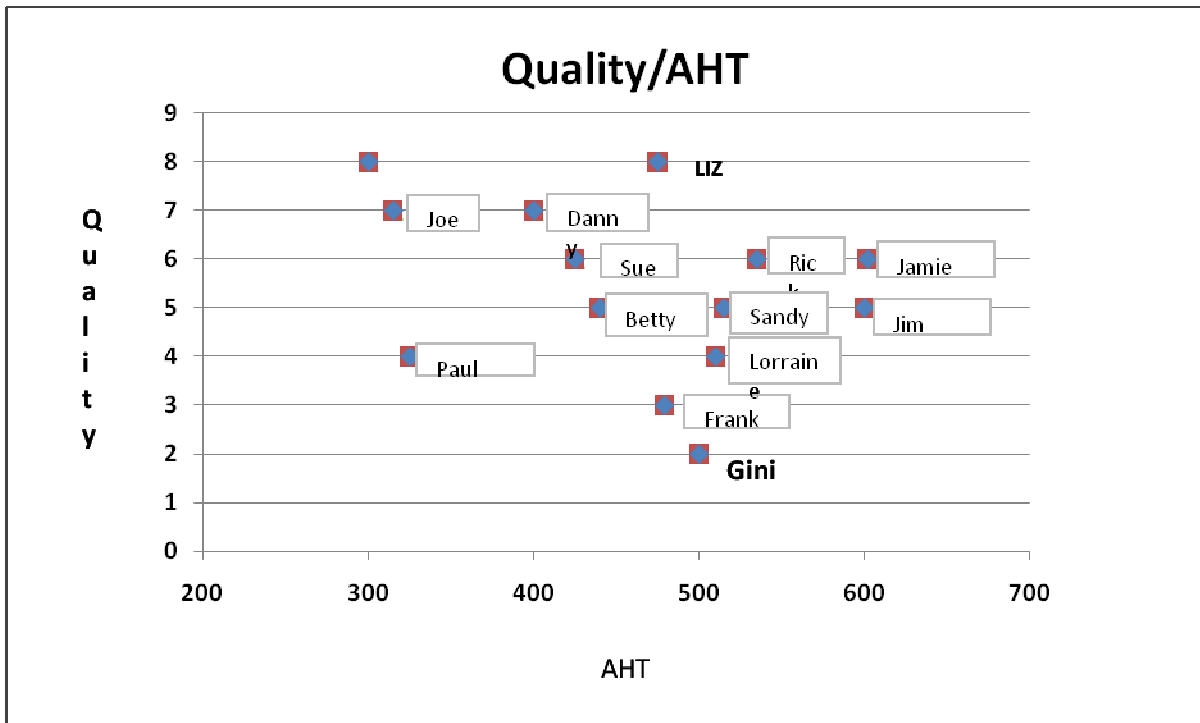
How is this possible?

One Word – "**People**"

When I look at the performance of the centers in terms of Productivity and Quality there is **ALWAYS** room to improve the bottom line by 20% to 30%. Agents out of incubation bays, doing similar work, always have 60% to 200% variation in their productivity. This means that some agents are doing "twice" the amount of work of others, which is surely a recipe for low morale, absenteeism and unhealthy turnover.

The below chart shows how this variance manifests itself. It becomes very obvious to see that agents doing like work, with the same amount of tenure, perform at remarkably different rates. It also dispels the myth that by simply spending more time with clients produces higher quality scores. The data shows that length of time and quality are not as aligned as many think and in fact there are examples where those

with the lowest Average Handle Time (AHT) have the highest quality scores. The best practice for this center would suggest that 300 AHT and high quality is not only possible, it's probable with Quality Monitoring and Coaching properly in play.



The variance presented in the above chart is flat out too costly. Anything greater than 50% for agents doing like work is the Maximum Allowable Variance (MAV) and practices, process and technologies need to be in place to ensure that you're not leaving 20-30% on the table. In the case of a 100-seat center, this would equate to between 20 and 30 Full Time Equivalent (FTE) employees or, in other words, assuming an annual salary of \$40K for each of those employees, between \$800K and \$1.2M of costs that could be avoided per year.

What else does this cost you?

- Morale issues:
 - Agents will question management's ability to establish a level playing field;
 - This will lead to poor quality.
- Poor service levels:
 - Higher than necessary AHT;
 - Always in training mode;
 - Greater Average Speed of Answer (ASA).

- Attrition:
 - 20% to 60%;
 - Cost of training is \$25K/agent.
- Hiring overruns:
 - 10% to 20% buffers.

So what about Quality?

It's worse than Productivity. The variance in Quality is between 100% and 300%. I know many of you will dismiss this notion and say 'not in my shop'. Here's what I'd like you to do.

Test it!

Hold a "monitoring" workshop with your management team and listen to three random calls for each of 20 agents. Have each person rate the call Excellent (100%), Good (66.6%), Fair (33.3%) or Poor (0%) and write comments for each call. At the end of each call go around the room and have each person give their score. Tabulate the results. Afterwards, have each person give their opinion on why they thought the call was Excellent, Good, Fair or Poor and then re-rate the scores to see if quality is where you want it to be. Make the determination on whether the variation in Quality is higher than it should be.

Out of the 60 individual calls, what was the variance?

If you are like others you will have considerable Quality variance and this is more troublesome than high Productivity variance. What good is it to have agents performing at maximum productivity when each client relationship is being damaged? The cost to you in repeat calls alone can be significant. In one case we found that three out of 10 calls were call-backs, because the clients felt that they were not getting the correct information. The impact on Service Level had Call Center management behind the eight ball every day until they corrected the situation with effective coaching.

The notion that Quality is obvious is a myth! The level of knowledge and skill required to conduct a meaningful interaction is complicated and requires an agent to be trained and practiced at all aspects of the call. It's more than just being nice or knowledgeable about the company. It requires a combination of knowledge and skills that allows agents to navigate through the interaction at an expert level. Therefore, each agent must become an expert at all levels and demonstrate behaviors that produce high Quality and Productivity.

SALES – OUCH!

So if Productivity and Quality have such significant variance, what about Sales? Our survey results show a variance of between 200% and over 1000%. Impossible you

say? Test it! Take a month sample of Sales per call and see where you stand. You might find it shocking!

What is the answer?

Execution

The road to success is in the manner that you execute the performance principles. Some of the critical areas involve:

- Building a cooperative implementation structure where management and staff take ownership of performance;
- Creating a Quality System that provides deep understanding of any agent gap areas;
- Establishing definitions for all KPIs that are fair for each employee;
- Building a methodology that tackles the issues related to change management;
- Believing in the foundation principle that Knowledge and Skill building will maximize results;
- Creating an integrated structure where all data is fused to coaching improvement.

SIZE YOUR PRIZE

I often share this type of data with management teams and I'm surprised at their responses. Most often they agree with the analysis and while some will try to explain it away, most say "yes that's about right". I respond by asking why is it OK to leave this "Burning Platform" in this condition?

I have come to the conclusion that Contact Center management teams all know the "what" and in most cases they agree that the road to success is through coaching, training, refined processes and superior technology. What's missing is that the execution required to shrink variance is not well understood and quite often coaching is confused with quality and/or helpful tips.

Contact centers have developed analytics for almost every component of operations; however, they are missing analytics directly attached to the single most important activity in their center.

Coaching! Most centers have coaching in play; however, the execution of the coaching plans is missing critical elements for success. Successful coaching execution is the single most important element of Knowledge and Skill building and the **Quality Systems** are the main feed of critical performance information. The integration of **Quality Management**, Productivity and Sales management is required to be 100% successful.

Do you have this information at your finger tips?

- How many coaching events are underway in my center?
- How many commitments have targets and goals set, and what are they?
- What are my people coaching on?
- What is the result of their coaching effort?
- Which coaching is producing the best result?
- What is the return on my coaching investment?
- How do I know that Team Leaders and Agents are engaged?
- Are there people not being coached, and why?
- Who is struggling, and on what?
- Is there one truth about the data?
- Can you see your hierarchy and movement of staff with the current data?
- Are there alerts when coaching is not producing the desired result?
- How many staff members have "Will" versus "Skill" issues?
- Can you see standardized "Knowledge" training activities across the entire organization?
- How much time per week are we investing in coaching?
- Who are our top coaches?

These analytics and others are all necessary to implement practices and processes that shrink agent variance to 50%. Most call centers have coaching practices and process in place; however, without a comprehensive platform to give you the proper analytics it will be impossible to see whether you are winning or losing the performance battle. In fact, the 20-30% bottom line "Prize" will not change unless you engage Coaching and Quality Monitoring at a rigorous level across your organization. Without well-implemented Coaching and Quality Monitoring, you can almost guarantee leaving performance on the table.

You don't have to accept it! There's "BETTER" way!