INCREASE EFFICIENCY BY CHANGING THE CALL CENTER ORGANIZATION

Product No. 10043

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Abstract

Is reorganization your answer? Possibly so. Especially if you are performing tasks that are better suited for other departments to perform, or if bringing certain tasks within your direct supervision would help you serve your customers better. Use this article for guidance in analyzing your contact center's functions to determine what you should be doing and what you should not be doing.

Most companies approach reorganizations in team meetings where they simply rearrange the boxes on the organizational charts. The results are often unsuccessful and only create more "misorganization." The methodology outlined in this article assists your team in a thoughtful, deliberate and focused discovery process. Learn how to identify whether or not your organization needs to be realigned.

Included in this article are detailed descriptions to help you construct tools to support the breakthrough thinking that leads to your success. If the resulting assessment indicates a reorganization is in order, the article describes the steps necessary to get you on your way to your new strategy.

Increase Efficiency by Changing the Call Center Organization

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It's classic. An agent gets an excellent performance appraisal and the next thing you know they are promoted to team leader (often without any additional training, I might add). Or you have supervisors who are excellent coaches but are asked to monitor the service level all day. Or you have one person doing five completely unrelated functions because they happened to be at the wrong meeting at the right time.

There have been many names for this phenomenon (the "Peter Principle" being one of the most famous – you know, the one where people rise to their level of incompetence?). I just call it misorganization.

This article takes a look at misorganization and defines a methodology that ensures organizations are so well defined that it's easy to find the right people for the right job.

The Origin of Misorganization

You've heard me say it a thousand times. The Contact Center industry is still in its infancy. It's only about 25 years old. We've been learning how to manage this puppy by trial and error. This is a tremendously complex system in which we work.

One of the pitfalls of such a young industry is what I call the "round robin" approach to organizational development. Have any of you worked for a start up contact center? Many years ago I did and guess what? Because we were learning as we went along, new "stuff" would periodically come to our attention that needed to be done. So, we would sit in meetings and say, "Who would like to take this on as their responsibility?" It was great fun. But, after about two to three years of doing this, you can imagine what some of our job roles looked like. After having spent time on the phones, I moved into contact center management. Then I was in charge of telecommunications, facilities (all the way from building new buildings to managing the cleaning crew, to plumbing, cabling, HVAC systems, etc.) along with being the spokesperson for all radio and television interviews. It was certainly a lot of fun, but not very efficient or cost effective.

I still see this round robin approach as we consult with other companies. Management finds the person with some time and asks them to take on a new "project". Not a good methodology.

Another problem I see in organizational design is what I call "organizational blinders". This happens when we design an organizational structure thinking we are the only game in town. We are looking only at our department and we forget about all the other linkages our department has to the rest of the corporation. A function that might best fit elsewhere is either rejected by "the elsewhere", or we don't want to give the function to someone else lest we become less powerful.

The last organizational faux paux I'll talk about is the concept of "good at one, good at all". This rears its ugly head when promotions occur. Sometimes those of us in management assume that if a person is good at one thing, then surely they must be good at managing the people who are doing that one thing. This "good at one, good at all" doesn't always produce the prettiest results. The skills that make an excellent agent are very different than the skills required of an excellent coach. And the skills to forecast call volumes; staff a contact center and manage a service level are very different than the skills required to manage people.

When To Reorganize

We've seen a lot of contact centers reorganize lately. Many times it has to do with a merger or a consolidation. But the most compelling reason to reorganize these days has to do with success. It has been said that the companies that succeed in the 21st century will be those that learn how to strategically integrate the contact center into the rest of the organization. This kind of enterprise-wide integration demands that the contact center has clearly defined functions and interdepartmental linkages.

Reorganizing a misorganized organization is simply a matter of survival into the next century. W. Edwards Deming puts it in perspective: "You do not have to do this...Survival is not compulsory."

How Not To Reorganize

Response Design was working on a reorganization project with one large company merging with another large company, and the first thing the team wanted to do was to draw the boxes for the new organizational chart. Imagine the frustration when we calmly advised them that the box drawing was one of the last activities we would do. We told them we were many hours away from knowing what the "chart" would look like.

So, when you get your team together, don't simply rearrange boxes on the chart. The result of this premature activity is a disorganized misorganized organization.

Reorganize Methodology

To begin, we will look at the big picture of reorganizing, then to some specifics looking at functions within the organization and how to construct organizational tools.

Methodology step one - the big picture
One of the first activities on the agenda for your team is to define the big picture:

- What is the mission of our department?
- What are the values of the corporation?
- What is the strategic intent of this reorganization?
- What are the key drivers for this change?
- What are the assumptions under which this team is working?
- What are the constraints under which this team is working?
- What are the conditions of satisfaction?
- What are the customers' requirements?
- What are other contact centers doing?

Without knowing the answers to these questions up front, I guarantee you that you will end up in quicksand soon after the start of the project. You're going to hit many potholes in the redesign project. The answers to these questions will keep you on the straight and narrow. When your team starts to debate issues, it is often the answers to these questions that will calm the savage beasts.

Methodology step two – identify the functions
Now it's time to define each function currently performed in your organization (e.g., read emails, attend team meetings, research billing errors, training on new systems, escalating due dates, etc.). This research is accomplished best through surveys, observation and focus groups. It is often difficult to identify all the functions

because you're so close to them. Stay with the "digging" until you are convinced you have unearthed 90% of the functions (the other 10% will emerge throughout the rest of the process).

You will be amazed at the number of functions performed in your contact center. During one contact center redesign project we identified over 150 separate and distinct functions being performed in the contact center. It never surprises us at Response Design when functions are identified that even the contact center manager doesn't know are part of the every day life in their contact center.

Also, if you have multiple sites, you may think you have the same function at each site simply because they call it the same thing. But beware: functions with the same name in multiple sites often turn out to be totally different. Don't assume the function to be standard across all sites. Do a little investigating.

Methodology step three – construct the function matrix
Now construct a matrix to analyze each function. By going through this matrix, you are ensuring that each person on the team clearly understands each function. It is only by understanding the function that they will be able to build a solid organizational strategy. The following example demonstrates the type of matrix we use at Response Design. The example is for the function of "Due Date Escalation". The underlined text represents the column headers of the function matrix.

<u>Function number 1</u>:
Due date escalation

<u>Definition</u>:
During negotiations on the initial call the customer states that they need the product or service at an earlier date than on our stated delivery date.

<u>Complexity</u>:
On a scale of one to five (one being easy and five being difficult) how complex is this function to perform? The team says that due date escalations are in the middle so they assign it a three.

<u>How much time on average does it take</u>?
Ask the team to estimate the average time it takes to accomplish this function currently. For due date escalations the team agrees on 15 minutes.

<u>Skill level required</u>:
On a scale of one to five (one being low skill and five being high skill) how skilled must the resource be to perform the function currently? For due date escalations the team agrees that it is fairly easy so they assign it a two.

<u>Time critical nature</u>:
On a scale of one to five (one being not critical and five being very critical) how time critical is this function? The team agrees that due date escalations are very time critical so they assign it a five.

<u>Manual or automated</u>:
Currently is the function performed manually or is it automated? The team knows that currently due date escalations are done manually.

<u>Frequency of function (80/20):</u>
In a normal day is this function part of the 80% of the day's activity or is it 20% of the day's activities? The team agrees that due date escalations are a small portion of the day's activities so they assign it 20%.

Customer satisfaction factor:
On a scale of one to five (one being low and five being high) how much does this function contribute to customer satisfaction? The team quickly agrees to five for due date escalation.

Does the customer need to be on the line?
To perform this function does the customer need to be on the line? The team struggles a bit here. They would like to be able to answer the customer while on the line, but feel that keeping the customer on hold for 15 or more minutes is not good customer service, so they say, no. Besides, they can get all the information they need and do the work off line.

Does this contribute to first call resolution?
In it's current manual state; this function does not contribute to first call resolution. The team would like it to in the future.

Should we eliminate this function
(Why do we do this? Is this a work-around?): This analysis can take several angles. The biggest decision is "Can we eliminate this activity altogether?" If you decide that the activity must remain, then the next decision is to determine if the activity is efficient as it stands. If not, then you will have to put a "process improvement" step in your implementation plan. In this example, the team agrees that this function is not a work around, it is a request of the customer to escalate our normal delivery dates. Therefore, we cannot eliminate it. They also agree that there is definitely a need for process improvement.

Is this function a reactive or proactive function?
The team agrees that due date escalations are reacting to the customer's need.

How well is the function documented and standardized?
On a scale of one to five (one being not documented/standardized and five being very well documented/standardized) how well is this function documented and standardized? The team agrees that this is highly documented and standardized, and gives this function a five.

Is this function a basic job function, is it more advanced, or can it be used to develop people's skills?
The team agrees that this is a basic job function.

Are there other dependencies (other functions are predecessors to this function)?
The team agrees that simple research has to be done before a due date escalation can be promised.

Is there interdepartmental support required?
The team understands that, yes, other departments must be consulted before they promise an escalated due date and the other departments must carry through on the promise. The team identifies these other departments and notes them on the matrix.

Methodology step four – identify the resources
Now the team makes a list of all available resources that may be assigned a function even if that resource is currently not even available within the contact center organization. Listing your current contact center resources and then benchmarking other contact center organizations can identify these resources. Resources typically include:

- Universal agent talking with a customer
- Universal agent performing after call work
- Universal agent off the phone
- Universal agent transferring to another department
- Specialist agent talking with a customer

- Specialist agent performing after call work
- Specialist agent off the phone
- Specialist agent transferring to another department
- Automated transactions
- Training department
- Internal help desk
- Outsourcing
- Research department
- Quality department
- Workforce planning
- Human resources
- Coaches
- Administration
- System support

Your industry may have other specific resources available that you will need to identify.

Methodology step five – Construct the strategy matrix
Once you have thoroughly analyzed each function and identified each possible resource, it is time to start matching resources to functions. We highly recommend that you create another matrix with the following columns:

- Function number
- Function name
- Future strategy
- How to get there
- Near-term strategy
- Recommendation and additional comments

<u>Function number:</u>
This number would be repeated from the function matrix (it is a unique number for a function).

<u>Function name:</u>
Again, this would be repeated from the function matrix.

<u>Future strategy</u>:
A strategy in this sense means what resource, in the long run, is best able to handle this function? You will notice that we have two strategy columns (future and near-term). You want the team to build the ideal future organization, but there may be some near-term resource limitations. We have found this discussion to be very profitable and easily remedied by walking through the next several columns on the matrix. Have the team discuss what resource should handle this function in the future, ideally. In this example, let's say the team chose resource numbers 1 (universal agent on phone) and 5 (specialist agent on phone) above for due date escalation.

<u>How to get there</u>:
Have the team discuss the performance gap. What will need to happen in order for the ideal to come true? Perhaps in this example the team might say the computer system would have to be upgraded so orders can be escalated automatically rather than in the current manual mode. They might need access to other databases to ensure date availability.

<u>Near-term strategy</u>:

Due to the resource limitations currently, what is the best resource to utilize now? In this example the team says that it is best to take the research off line and get back with the customer within 24 hours. Therefore they assign the function to resource number 13 (research department).

Recommendations/additional comments:
This is a column simply to note any other discussions on the topic that may have occurred. The team talks about the cost to take this action off line versus being able to automate this function and complete on first call.

Methodology step six - next actions
These next actions should be followed in order including:

Get feedback on your work.
Set up meetings with the different resource teams and let them look at your assumptions and your matrices (remember, you still haven't drawn any boxes). Be diligent in recording their suggestions and concerns.

Now, draw the organizational chart.
(Thought it would never happen did you?) See the next section "Organization Clarification Questions" for ideas on how to group and link the resources on the organizational chart.

Define the new process flows.
This would include intra- and inter-departmentally required by the new organizational structure.

Map the new functions to the performance management process.
For example, you will need to develop training for the people in each department as they assume new functions. The performance management process would include job descriptions, training, etc.

Develop a project plan.
Your project plan would be used to transition from where you are today to your near-term strategy. Then develop the plan to transition to your future strategy. Don't forget to include change management in your plan.

Organization Clarification Questions

The following are questions that we are asked from time-to-time and have included just in case your team is asking you!

Should a department/resource be centralized, regionalized or decentralized?

Agents:
- If there is a specialized group performing a function, will there be 50 or more agents per contact center performing the function? (If not, then consider either regionalizing or centralizing. Regionalize if there are regional differences and there would be close to 50 agents performing the function. Centralize if the strategy is standard for all agents and to gain greatest staffing efficiencies.)
- Are there labor related, regulatory and/or legal considerations that may influence the regionalizing or centralizing of a function?

Front-Line Support and Customer Support:
- Is the function standardized across all contact centers? If not, then the function may be local or regional (if standard centers can be grouped regionally).

- Is this department staffed by call volume or demand (e.g., internal help desk, service order entry, and quality)? If yes, then the same staffing efficiencies apply as described above in agent strategies.

- Is the need for this department's function sporadic (e.g. training, human resource)? If yes, consider regionalizing, but keep a direct line to the contact center Director.

- Is there a strategic and tactical consideration to this department's function (e.g., work force planning)? If yes, you may need to create both a local strategy (to monitor and control service level) and a national strategy (to forecast call volume and perhaps load balance between centers or regionalized strategies).

- Is there a need for direct / face-to-face or immediate access to/for this department (e.g., absenteeism administration)? In this case, a local team is most feasible.

- Is this department's function critical to providing excellence in service delivery (e.g., systems support)? If yes, then a dedicated team should be assigned – either local, regional or national depending on remote access (e.g., database) and support availability.

- Is the technology available to allow easy regionalization or centralization (e.g., can service orders be easily shipped to a centralized center and can questions about orders be easily answered, if the center is centralized)?

- Might there be a need for both a local and national/corporate dedicated contact center department built (e.g., quality at both the local and corporate level)?

- Are there regulatory and/or legal considerations that may influence department function design?

Should the reporting structure be a direct line versus a dotted line?
- Is the department a critical success factor for the contact center?
- Does the department require special knowledge of the contact center environment to be successful?
- Is this "special area of knowledge" of the contact center difficult or easy to acquire (training versus human resource)?
- Is there a need for constant interaction with the contact center environment to ensure complete understanding of the constant contact center changes?
- Does the strategy require dedicated contact center staff to be available at all times?
- Is there a need for an "objective" third party monitor for the strategy across all contact centers (e.g. quality)?

Should functions be performed while on the phone versus off the phone?
Properly constructed metrics and reward and recognition programs will encourage agents to become experts. This means they will be able to make the necessary business decisions of balancing on the phone and off the phone time. Agents should be coached on how to do as much as possible on the phone, while at the same time maintaining a high standard of work excellence and customer satisfaction.

Investment in People, Process and Automation

The migration from near-term strategy to future strategy may require significant investment in people, process and automation. The business case for each investment should be outlined in the strategic plan. Depending on the return on investment (ROI), the investment may or may not be undertaken. Once the strategic plan is written, the organization strategy may need to be updated to reflect these decisions.

Learn from Experience

Having helped many contact centers reorganize, we offer the following advice.

Take the team approach.
You will need both experienced people on the redesign team as well as "new blood". Veterans bring historical perspective and new hires bring fresh perspective. You will need people with both tactical and strategic skills. Finally, be sure you have people from every level – front-line agent to the contact center management team. (Be prepared for these people to clash periodically throughout the redesign process – that's why you invited a diverse team – to get diverse opinions.)

Learn and constantly apply the above methodology.
As new functions are assigned to the contact center (like answering emails from customers) or as current functions evolve, follow the methodology. Don't revert to the "round robin" or "blinders" approach.

Don't try to develop the perfect organization.
In the contact center there is no such thing as perfection. However there is continual improvement. We change too rapidly to think we can get a perfect design that will never need changing again. To go through the above methodology will take your team a good 60 to 70 hours. Don't labor for perfection…labor for excellence. Then make a commitment to continual improvement.

Get smart.
Find out what is happening around you in the contact center industry. There might be some great technology solutions for your future strategy. This is one of the areas where we have seen Response Design's expertise invaluable. Since we are in hundreds of contact centers all the time and not burdened with the "dailyness" of running the contact center we can stay focused on the emerging best practices.

Summary

Once your team starts dealing with your misorganization you'll never want to go back. Besides you can't…your success in the 21st century depends on it!

Kathryn Jackson, co-founder of Response Design Corporation (RDC) and call center expert helps professionals get more from their call center. Response Design is the how-to source for integrating the call center into the customer relationship. Its independent consultants use call center web seminars, contact center consulting, call center tutorials, call center benchmarking, world class customer service articles, and best-in-class customer service practices to ensure you get the most from your call center investment.

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