

Reengineering Customer Support

Part 3: Completing the Operational Assessment



Dave Brown is a management consultant, teacher, and writer. He teaches management training programs for Support Center University (www.SupportCenterU.com). He also consults with selected clients to establish world-class service operations and is considered an expert in the areas of process improvement, staffing models, and change management. You may reach Dave at his office in Boulder, Colorado, at 303-494-4932 or dave.brown@SupportCenterU.com.

Before reading this column, it is important that you've read or have access to Part 1 and Part 2 of this series, because this installment will describe the final stages in performing a thorough operational assessment. Following the steps in this column alone could result in an incomplete and ineffective assessment. However, combined with the steps described in the previous installments, you will be equipped with my entire recommendation for a thorough operational assessment.

In Part 2 of this series, I described the interview process (Stage 1) and recommended using a top-down approach. I then discussed observations (Stage 2) and provided examples of what to look for. Assuming that you've worked through these stages, you probably have a few ideas—your hypotheses regarding symptoms and causes. It is important to keep these thoughts in mind as you continue to drill down.

Stage #3: Data Collection

The data collection stage is fairly straightforward. The assessor should collect as much data as possible about the current workload and performance. This includes phone, e-mail, and Web reports, reports from the CRM or call tracking system, customer satisfaction

survey results, and any other data that may be available. Other such data includes management status reports, performance charts, or any similar compilations. Any information that can be used to determine the amount of workload, level of effort, elapsed processing time, or performance results is information that is worth collecting.

I'll get into more detail about analysis in Stage 4, but the prime thing the assessor should be looking for in data is either validation or contradiction of the information that was gathered during the interviews and observations.

For example, if the phone reports validate the agents' estimate of average handle time (gathered during the interviews), then you could consider this data validated. However, if the phone report contradicts the estimated handle time, you need to research further and resolve the discrepancy. Sometimes these discrepancies lead to the root cause of a problem. For example, further research may uncover that the phone system only captures and reports the actual talk time and not the several minutes of follow-up time per call. This could lead to a determination that the entire staffing model, based on the phone reports, is flawed and therefore is resulting in constant understaffing,

which in turn results in long hold times, high abandon rates, and customer dissatisfaction. This is easy enough to fix, but first you must identify the cause of the problem.

Stage #4: Analysis

Analysis is the difficult stage. In most assessment situations, there are mountains of information gathered through the interviews, observations, and data collection. I have a few key tactics that I apply to help me sift through the information and expose key nuggets of knowledge. One of the most valuable approaches is mapping the current process. I've found that very few companies actually have mapped their existing processes, and if they have, it probably is at too high a level to uncover any flaws, and more often than not, the *actual* process is different from management's view of the process. Simply flowcharting the actual process allows you to see redundant and/or unnecessary steps and other flaws. When you add data to the flow diagram, such as the level of effort and the elapsed time that coincides with each step, the opportunities for improvement often become evident.

Another aspect of the analysis is compiling department metrics and comparing current performance with industry benchmarks. Any significant gap must be traced back to the cause. For example, if speed of answer is three to five minutes vs. less than one minute for "world-class" companies, you need to determine why the gap exists. Is the process designed this way (design flaw), is there no mechanism to adjust for daily staff absences (poor scheduling process or lack of a workforce management tool), or is there no mechanism for monitoring hourly call-volume fluctuation and making real-time ad-

justments (lack of a workforce management tool or poor management)? Could it be that calls are not routed to the most appropriate agent, so handle times are longer than necessary, which therefore affects the response time? The observed problem, which is poor response time in this example, must be traced back to the cause.

Therefore, one goal of the analysis is to determine the root cause of problems. First, you need to determine if something is a symptom or the problem. A symptom is caused by something else and can be corrected by fixing that which is causing it. The key is asking why. Why is this happening? If you can answer this question, you are observing a symptom, not the problem. For instance, a high rate of abandoned calls is a "symptom" because it is caused by something else. You don't solve the abandoned call problem; you solve the problem that is causing the abandoned calls, and the abandoned call "symptom" is "cured."

You might have a symptom that is also a problem. For instance, the abandon call rate may be caused by long hold times. The long hold times are causing the abandoned calls. But the long hold times may be a symptom of short staffing. You may have to work back through several steps in order to identify the "root cause"—the problem that is at the root of the issue and isn't a symptom of something else. Identifying the root cause is required to truly solve a problem. You don't cure an illness by treating the symptoms, and you can't optimize a support operation until you understand the real problem.

Stage #5: Determine Options and Estimate Benefits

Once the root causes of various issues have been determined, the potential

solutions usually are relatively clear. In most cases, there are only a couple of options that will address an issue completely. However, it is typical for a support operation to be struggling as a result of multiple issues, and therefore, the complete solution may include several different components. Depending on the situation, the solution could include specific changes to the work processes that will improve efficiency and effectiveness. The solution also could include adding or improving automation tools that will reduce calls and/or agent intervention (e.g., Web self-service) or reduce handling time (e.g., improving the knowledgebase), thereby increasing the organization's capacity and improving overall service levels.

The approach that I prefer is to predict how the operation might look if these root causes were addressed. I call this the "future state." Using this method, you must have resolved the problems, and then you "model" how things will be. For instance, from a customer's standpoint, how will the service process work? Will the customer call, e-mail, or go to the Web first? If they have options, what percent of customers are likely to go down each path (based on industry research)? You can model each of these paths and describe how they will work and how long each step will take (again using industry research or examples from companies that already use the process). The result should be a hypothetical support model, complete with estimated service levels and estimated operating costs.

It is likely that you will need to consider several possible solutions and/or combinations. This means creating several models (potential future-state designs). Each variation should include the estimated cost of operating

or the difference between current and projected costs. It then will be the consultant's job to make a recommendation, and the client's job will be to decide which model is the right target for the reengineering effort.

Stage #6: Make a Recommendation

The previous stages are all designed to result in a recommendation. Depending on the purpose of the assessment and the situation, the recommendations could be very high-level: "Implement a Web-based, self-service capability integrated with a knowledgebase in order to meet customer expectations, reduce support center workload, and increase productivity." Even this high-level recommendation should include an estimated ROI. However, if the situation calls for a reengineering effort, a reasonably detailed description and justification of the recommendation should be provided.

A recommendation to reengineer should begin with a thorough description of the problem, including the root cause analysis. The recommendation also should include a definition of the future state—what the operation could or should look like if it were optimized. The difference between the current state and the future state is essentially the reason for reengineering. A small gap between these two states would indicate that incremental improvement is a reasonable approach. However, a large gap likely would mean that you can't get there through small steps, and a major overhaul may be the only realistic way to achieve the goal.

The future state or preferred model typically cannot be defined exactly at this point in the process. This is because we have not reengineered yet. By definition, you won't know the exact

outcome until you go through the reengineering process. However, you should be able to "frame" the model (as described in the previous step)—describe the basic call flow, describe the call-handling process, predict the level of staffing required based on estimated call/process-handling times, and estimate the service levels based on workload and staffing levels (using software modeling tools). Based on these calculations, you should be able to estimate the new operating costs. While much of the detail will be determined during the actual reengineering project, management should be able to get an adequately detailed vision of the outcome.

The cost of going from current state to future state is also something that can be estimated with reasonable accuracy. Many companies will use an experienced consultant to guide them through the process, and any associated fees can be defined in advance. An experienced consultant will be able to accurately estimate the level of effort required from your staff, including the number of people, hours (or percent of their time) dedicated to the project, and the project timeline (which we will address in my column in the July/Au-

gust issue). The assessment also should uncover whether the existing tools are adequate or if replacements or additions are required. Any training, facilities modifications, or other expenses also can be estimated. These only will be estimates, but I've found that it is not too difficult to develop these estimates and to have them be accurate within five to 10 percent.

So with a good understanding of the current state (symptoms and causes), a vision of the end result of the reengineering effort (future state), and an estimated cost to achieve the future state, it is relatively straightforward to develop the ROI. In my view, the assessment report also should include a "roadmap" or preliminary project plan that describes the major tasks required to transition to the recommended model. Along with the ROI, the roadmap (which includes a timeline) should provide management with the information they need to make an informed decision regarding the recommendation.

Summary

Performing an operational assessment every one to two years is a good idea for all support operations. Like an an-

evolutions in the customer support center

nual physical exam, the assessment can identify problems in the early stages, before they become overwhelming. The operational assessment also is required when serious symptoms are observed or when you are considering a major initiative, such as reengineering or outsourcing.

The operational assessment must be objective and thorough. The most efficient approach is to begin by developing a hypothesis and then following the stages to prove or disprove it. The process is typically iterative and begins with interviews, observations, and data collection. Finally, you conduct the analysis and make recommendations. A proven methodology, combined with a qualified, unbiased assessor, can provide a rounded and comprehensive view. An assessment always should estimate the ROI of implementing the recommendations.

In my next column, I'll describe one effective methodology for tackling reengineering—a field-tested technique that builds staff acceptance while adapting to your environment and culture. This is a unique approach that can improve your odds for success. ▼