Reengineering Customer Support
Part 8: Fine-Tuning (You're Not Finished Yet!)

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In my previous installments of this column series, we've addressed preparing to reengineer an organization, performing an in-depth operational assessment, setting up teams to carry out the project, the data collection and analysis, designing a new model, and implementing the new model. Now you've "gone live" with your new model, and everything is working smoothly…right? Almost? No matter how thorough you've been in your planning, there is usually some tuning and adjustment work to be done. Remember that we reengineered because your support operation was beyond needing just a tune-up. You needed a complete overhaul, and now the overhaul work is complete. But you don't tune an engine while you're rebuilding it, and you don't perfect a support center during the initial implementation. You now have a well-designed and well-built engine, but you need to tune it.

Focus on the People First

The key to success is not only having a good solution, but also gaining the acceptance of those who must implement the solution. Change is difficult for most people, and now is not the time to be hard-nosed. In fact, now is a time when people need some comforting and reassurance. Most of all, they need to be heard. In the days following your "go live," you have the opportunity to gain acceptance or lose credibility. You may be very happy with the overall results, but if those who are doing the work are uncomfortable or unhappy, the whole process can fall apart quickly.

Ask everyone for feedback. You used a team process to reengineer the support center, and it's very important for the open communication and involvement of those doing the work to continue. I like to use daily "stand-up" meetings to get feedback from people. These are not long, sit-down meetings. They can be simple, informal meetings for five to 15 minutes at the end of each day or shift, or even several short meetings throughout the day.

Another effective technique is putting a flip chart and markers in the call center for use during the day. The idea is to invite people to write short bullet-point comments during the course of the day so that they can be reviewed during the stand-up meetings. The flip chart makes it convenient for people to make notes while the issue or question is fresh in their minds. It also makes it possible for someone to contribute, even if they aren't going to be available for the meeting. Lastly, having them post the issue makes it less likely that people will raise personal or petty concerns.

What kind of feedback should you

be looking for? You need to hear what is working well and what isn't. Are there any surprises, or is everything going as expected? Did you overlook anything? Are there any unforeseen challenges in working in this new environment? Do the procedures need adjusting? Are there any ideas for further improvements? Even if everything is working relatively well, you are likely to get good input. Most important, involving the staff and giving them a forum for voicing their opinions will help to build staff morale and ensure their continued backing for the change process.

Measuring…Adjusting… Measuring…

The key to optimizing the support operation is measuring current performance, analyzing the data, and then making the appropriate adjustments. There are a lot of things that can and should be measured. However, let's start with the key operational metrics: volume, traffic patterns, average handle time (AHT), service level (a.k.a. response time), and first-contact resolution rate (a.k.a. resolve rate).

• **Volume and traffic patterns.** It is essential that you measure the volume of calls/incidents and the pattern of arrival (traffic patterns). This information is necessary in order to create an effective staffing model, thereby meeting service level targets while achieving good staff utilization. You must know how many calls (and e-mails and Web-generated cases) are received during each one-hour period throughout the day. Assuming that you sort calls into categories in order to route them to different skill groups, you will need to measure the volume/traffic for each of those skill groups.

• **Handle time.** This is also extremely important. In most cases, we use the average handle time. When volume and handle time are combined, we have "workload," and knowing the workload is essential to developing an effective staffing plan and hourly schedules. The AHT must be calculated using the same categories or groupings used to measure volume and traffic patterns. In other words, if you sort calls into seven different categories (for routing to different skill groups), then you also must calculate the AHT for each of those seven categories.

• **Service level (SL).** Measuring SL achievement vs. your SL target provides one of the best indications of how well the model is working. If you've designed the staffing model using Erlang or some similar method, measuring the SL results will tell you if there is a problem. If you built a good staffing model and aren't achieving your projected SL, there are only two possible causes. Either the workload is different than projected (look at volume, traffic patterns, and AHT), or the staffing is not as planned (find out if agents are adhering to the phone schedule, logged in when they are scheduled, and so forth). Also, be sure to measure SL in one-hour segments (or smaller), and never rely on daily or weekly "average" service levels. Averages are always dangerous, but when we're talking about SL, averages are useless.

• **First-contact resolution (FCR).** This is another excellent gauge and a true measure of support center effectiveness. If you projected 75 percent FCR during your design phase, but now you are not achieving that target, then you must learn why. The cause usually is related to calls not being routed to the best available agent. This is often a symptom of a staffing model that needs tuning. Sometimes the whole model can seem to be "broken" because of one relatively minor error.

In an integrated, skills-based routing environment, one skill being understaffed can cause calls to overflow to another group, overwhelming that second group and causing their calls to overflow to another, and so on. This cascading effect can create total chaos in the support center. Carefully measure the first-call resolution rate for each group or skill, and then track down the cause of any discrepancies (missed targets/expectations).

These are the key operational metrics that I recommend every services operation measure. During the fine-tuning period, you should measure these and possibly more. You should measure all of the same things you measured during the operational assessment (prior to the reengineering effort). Basically, you should measure the workload and performance at every point in the new call-handling process.

Zeroing In

What do you do with all the new information you collect? You must rerun the plans. Prior to implementation, you made assumptions and estimates, and then you used those numbers to create your model and to predict future performance. You didn't know how many calls would be sorted into each skill group and estimated AHT and FCR. Based on these estimates and assumptions, you built a staffing plan designed to deliver a certain level of service. Now that you have the model in place, you should collect the real data and then refine the staffing model by rechecking every assumption made during the design phase.

Move quickly to tune it, but don't confuse moving quickly with making rash decisions or changes without proper analysis. Redo all of the simu-

lations and staffing models using the new "real" data. Quickly gain an understanding of the areas that need adjustment, and then make those adjustments. I normally measure and analyze for two weeks, then make adjustments and start another two-week cycle. In most situations, you can get to a well-tuned, highly effective operation within one or two months.

Absorption Syndrome

Something surprising happens to many support organizations in the months following a major reengineering. I call it the "absorption syndrome." Here's why. A complete support reengineering typically takes nine to 12 months from start to finish (including the tuning). Some of the changes are gradual, and the improvements often are spread across many aspects of the operation (the improvement is not focused or limited to a single metric). Management can sometimes forget how bad things once were and lose sight of how much progress has been achieved. The improvements are "absorbed" into the operation.

For example, I recently worked on a project where I initially estimated that we could achieve a 22 percent improvement in productivity. Management was adamant about using this gain to improve service, not to reduce headcount. However, over the course of the nine months that it took to implement the changes, management seemed to lose sight of how bad things once were and how much change and improvement had transpired. However, they didn't forget my 22 percent improvement "promise."

So there we were, three months after completing the project and a full year from the starting point. From executive management's view, support had "approximately" the same headcount as before, and everybody was working just as hard as they always had. They just didn't think that productivity had improved by 22 percent. So what happened? Why didn't I deliver what I had promised?

It didn't take me long to do the calculations. They in fact had five percent less staff than when we started. They also had expanded the hours of coverage provided by the support center by eight percent. And because the business was growing, they were handling 11 percent more calls (volume was way up). By my calculation, that's a 24 percent increase in the capacity. But the improvements didn't end there. Prior to reengineering, it took an average of 28 minutes to respond to a customer inquiry (they were in a "call back" mode). Now, they were routing each call directly to a qualified agent in an average of one minute. That's a huge improvement in service level! So we had increased the organization's capacity by 24 percent, surpassing the original estimate of 22 percent, *and* dramatically improved service at the same time. But the benefits were absorbed in various ways and were not obvious to management.

The lesson? Make sure you have very good metrics of where you started. Then continue to measure and report the improvements. Do a post-project ROI analysis. Remind everyone of what it was like prior to the reengineering (vs. now). Don't be put in the defensive position of justifying and explaining. Take a proactive stance and do some self-promotion.

In addition to all of the immediate operational metrics, don't forget about the fundamental long-term measures of success—financial performance and customer satisfaction and loyalty. I also suggest that you look back at the eight key indicators (discussed in Part One of this series), both to remember why you did this and to consider new opportunities. Now that you have a good foundation, are there other improvement efforts that make sense? I've said that you don't want to throw technology at the problem (of poor service performance). However, once you've fixed the problem, is there a technology solution that now makes sense and may help you to achieve even greater success? Now that you're providing top-notch services, are there opportunities to segment your customers and offer a wider variety of services options? This is a good time to reconsider your options, rather than rest on your laurels.

Conclusion

This installment concludes this column series. It has taken eight installments to completely describe the process of reengineering customer support. After reading the series, can anyone reengineer a services operation? Well, can you perform surgery after reading a medical guide? Can you rebuild an engine using a mechanics repair book? The answer is yes…if you have the appropriate training and experience to go along with it. In fact, many senior support managers have improved their operations dramatically by following the techniques I've described here and completing related training programs. I've received letters and e-mails from some of these managers describing their successes and thanking me for providing the necessary guidance. Whether you decide to go it alone or call in professional help, the information provided in this column series can be used as the framework for your support improvement project. Good luck! ▼