How To Reduce Scheduled Staff Without Impacting Service Levels

How can you reduce costs, while keeping satisfaction scores high, protecting the brand, and retaining customers? Learn how leading companies are using analytics to discover process improvements that will reduce required staff levels by 10-15% with no negative impact on service levels.

Everyone knows the link between service levels and staffing. Scheduling more agents makes everything better – higher service levels, shorter queues, more satisfied callers, more time for staff development & happier associates.

But the converse isn’t necessarily true. Reducing staff levels does not have to mean lower service levels and declining quality. The key to reducing costs without sacrificing quality is to discover and implement precisely targeted process improvements that reduce call volume and shrink average handle time.

Whenever budgets are tight and the economic outlook is uncertain, call centers are asked to contribute by finding ways to reduce costs. Unless you can negotiate lower rates with your telecommunications partner, or reduce allocations from your IT organization, it may seem that the only way to reduce costs is to cut staffing levels.

Since labor makes up about two thirds of most call center’s cost structures, reducing scheduled staff will indeed deliver budget savings. But reducing scheduled staff can also trigger a cascade of problems and management challenges.

Without measurable process improvements, the immediate impact of reduced staff levels is longer queue times. Longer queues drive satisfaction scores down and erode brand loyalty. Schedule cuts can also send a message to your front line staff that the company doesn’t care about customer service, which impacts employee satisfaction and increases turnover.

Eliminate Unnecessary Calls & Excess Talk Time

There are two ways to reduce staff levels without impacting service levels and quality. The formulas for calculating seated agents and service levels have 2 required inputs. How many calls are expected? And, what is the average handle time? So, sacrificing service levels is not the only way to reduce your staffing budget. The staffing calculator tells you that there are 2 other options: (a) reduce agent-handled call volume, and (b) reduce average handle time.

Of course, reducing call volume or handle time without sacrificing quality and customer satisfaction isn’t easy. Most companies have already done the obvious things: adding self-service web & IVR channels, email/chat options, and a balanced focus on handle time and first call resolution.

Yet, your front line staff may be telling you that they still handle a significant volume of simple, repeat, self-servable, or other unnecessary calls. And, your surveys may still show that wasting the caller’s time (and therefore also the agent’s time) is among the top complaints.

![Top Sources Of Customer Dissatisfaction](Yankee Group, Anywhere Consumer 2007 US Survey)

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long hold times</td>
<td>63%</td>
</tr>
<tr>
<td>Confusing automated menus</td>
<td>50%</td>
</tr>
<tr>
<td>Too long to answer</td>
<td>27%</td>
</tr>
<tr>
<td>Too many rep transfers</td>
<td>21%</td>
</tr>
<tr>
<td>System or agent did not have previously entered info</td>
<td>19%</td>
</tr>
<tr>
<td>Agent lack of knowledge about you</td>
<td>12%</td>
</tr>
<tr>
<td>Other</td>
<td>8%</td>
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</tbody>
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So, where do you go next? How do you resolve this contradiction between everything you’ve already done to increase efficiency and everything your front line and customers tell you still needs to be done? How and where can you reduce call volumes and shorten handle times without sacrificing quality and the brand experience?

Beyond Best Practices & Benchmarks – When Average Isn't Good Enough

To confidently implement process improvements that reduce unnecessary calls and excess handle time, companies are changing the way they identify and select improvement initiatives.

For many companies, industry benchmarks and best practices have reached the point of diminishing returns. Benchmarks and best practices are created by aggregating data and experiences from a large number of companies. Therefore,
they represent an average from a diverse set of companies - each with very different kinds of customers, very different competitive positions, and very different strategies.

Such averages are helpful to spot big issues and learn from other’s mistakes. But, they can’t help you optimize your call center for your unique callers and how they interact with your company. Your callers and their behavior are a function of your unique products & channels, your unique customer communications, and your company’s unique competitive market position.

To get to the next level of operational excellence, you may need to replace improvement strategies based on average callers to the average company (i.e. benchmarks & best practices) with actions based on a data-driven understanding of what your callers are doing in your centers.

Finding Opportunities to Reduce Volume & Handle Time

Mapping the caller’s experience from dialing-to-hangup is a proven strategy for discovering where improvement potential exists. By breaking down your call volume by the reason for the call, and then comparing the desired process for each reason to those callers’ actual experiences, you can identify issues and quantify their impact on volume and handle time.

Example Breakdown Of Calls By Reason

Examine the various reasons for call immediately reveals opportunities to reduce agent-handled call volume. For example, the chart shows that 1% of call volume is for “Web Support”. By analyzing those calls, one may discover website improvements that will eliminate the customer’s need to call. Similarly, a large portion of the 9% of callers who want to “Discuss Bill” may be eliminated by simplifying the bill and making it easier to understand. By reviewing each call type, one can build a list of back office and other changes that will eliminate unnecessary agent-handled call volume.

For those calls that can’t be proactively avoided, the next step is to map the caller’s actual versus intended experience. To illustrate this with a simple example, we’ll take the 7% of inbound calls from the chart above where the caller has an inquiry about their balance. We’ll also assume that this center has a balance self-service application in their IVR, and the intended experience is for these callers to successfully find and use the IVR self-service application. If all the callers who needed balance information actually used the IVR, company made decisions based on the 50% benchmark instead of the 65% of self-servable calls they actually received, they would miss the opportunity to reduce agent-handled calls by another 15%!
these calls would be 100% resolved - and there would be no agent-handled calls for balance inquiries.

Desired Process For 7% of Callers With Balance Inquiries
Every caller self-serves, 100% resolved, No agent-handled calls

Of course, no menu system is perfect and callers are never 100% willing to use IVR self-service. So, the actual path that callers take is much different. By mapping the actual experience of all callers with a balance inquiry and comparing it to the desired process, we can discover where to focus improvement initiatives.

Actual Experience For 7% of Callers With Balance Inquiries
15% self-serve, 57% resolved, 70% handled by an agent

In this example, we can see the impact of common problems, such as confusing IVR menus, difficult self-service applications, failed transfers, and inefficient design of skill groups. And, the data shows exactly where to focus first. In this case, one may be tempted to enable operators to handle simple balance inquiries, thereby reducing transfers. But, the root causes of the transfers are bigger issues in the IVR. Examining caller behavior in the IVR will pinpoint changes to reduce opt-outs and subsequent transfers.

By systematically examining each different call reason, you can build an objective, quantified, and prioritized roadmap to reduce agent-handled call volume and decrease handle time. BBN’s customers have utilized this approach across large and small centers in many industries. Next, we’ll review the most common sources of unnecessary call volume and excess talk time.

Four Types Of Unnecessary Calls
There are 4 potential sources of unnecessary agent-handled calls in any call center. A detailed analysis of your callers and their dialing-to-hangup experiences will reveal which are present in your center.

Sources Of Unnecessary Calls
- Avoidable transfers
- Missed self-service opportunities
- Unresolved calls
- Processes & policies outside the call center

1. Avoidable Transfers An incorrect or avoidable transfer takes a call that should have been handled by one agent and turns it into two or more agent-handled calls. The biggest source of avoidable transfers in most call centers is a failure of call steering or menu routing systems to deliver the caller to the correct agent. In this case, the first agent’s time is entirely wasted since their only role is to transfer the caller to the correct agent. Based on data from BBN’s customers, such misroutes are typically the single largest driver of excess agent-handled call volume and wasted agent time.

Such transfers can be eliminated by understanding the caller better and making precisely targeted changes to the specific prompts which cause misroutes. Eliminating these misroutes immediately reduces agent-handled call volume.

Incorrect transfers are those where the agent fails to follow the center’s policies. An agent may transfer a call incorrectly for any number of reasons, including: (a) they are ready to go on break or end their shift, (b) the call is going long and they are worried about their handle time metrics, (c) they misunderstood the caller’s question, (d) they don’t want to deal with a difficult caller, or (e) they need more training for how to handle a specific call type.

Skill group strategies can also be a source of avoidable transfers. Upon close examination, one may find call types that could be handled by the first tier rather than being transferred to a specialist skill. Even where multiple specialist skills are justified, it can be difficult to find the right balance between minimizing training requirements (more skill groups) and improving call routing accuracy (fewer skill groups).

2. Missed Self-Service Opportunities There are two kinds of missed self-service opportunities. In both cases, callers go to agents for calls which could be handled in IVR self-service. Each such call is an unnecessary agent-handled call.

The first type of missed self-service exists in call centers where self-service IVR options are available but the caller utilization rate is inordinately low. Poor IVR design may make it difficult for callers to find the self-service option they need. Or, once in the self-service application, callers may find it difficult to complete the transaction. In both cases, a poor
IVR design effectively trains callers to opt-out early and get to an agent.

The second type of missed self-service exists where a detailed review of agent-handled service calls reveals call types that are well suited to IVR automation, but for which there are no existing self-service options. Such analysis provides objective data to build an ROI for new self-service applications.

3. Unresolved Calls Every unresolved call results in another contact (or a lost customer). This simple fact has motivated many companies to adopt first call resolution strategies. One call costs less than two calls, and customers are happier when their needs are addressed in one call.

Unfortunately though, first call resolution is difficult to measure. And the measurement approach you choose will determine its effectiveness in reducing call volume. Most call centers use first call resolution as a metric for agent-handled calls only. This fails to report calls which are unresolved and end before reaching an agent. We’ve seen this number as high as 30% - even after taking out queue abandons!

For example, callers who invest several minutes in the IVR and then abandon (without completing any self-service) are very likely to call back and immediately opt-out. Had the caller been able to navigate the IVR successfully, the 2nd call would have been avoided. The caller would have either self-served or would have used the IVR menus to route themselves to the correct skill group. Instead a 2nd call occurs, opts-out immediately, spends time with a default agent and is then transferred to the correct agent.

Similarly, calls that are dropped or disconnected unexpectedly create unnecessary repeat calls. And, the caller’s frustration will likely extend agent talk time when they call back.

Another factor that can impair the value of first call resolution is the use of internal data or staff to identify resolved calls. Such approaches typically have measurement bias that overstates the number of resolved calls. Through no fault of their own, agents and quality teams are simply too closely aligned with the internal operation to objectively assess whether a call was truly resolved from the customer’s perspective.

Finding patterns of unresolved calls is critical to identify opportunities to reduce call volume. But to do so effectively, calls must be assessed from the customer’s perspective, and the assessment must include those calls that never reach an agent.

4. Processes & Policies Outside The Call Center There are many classes of unnecessary calls that are triggered by other parts of the business. Some examples include: (a) confusing promotions, (b) unclear bills or statements, (c) problematic website features, (d) re-scheduled commitments, (e) quality problems, (f) poor documentation, etc. Identifying these avoidable calls requires a detailed and careful analysis of call types in your inbound volume.

Identifying and quantifying these 4 categories of unnecessary calls is the first step to reducing call volume. It requires a level of detailed understanding that can’t be achieved by comparing selected benchmark data. An investment in tools and resources to examine your actual calls is necessary. The payback is typically a 5-10% reduction in agent-handled call volume.

Five Sources Of Excess Talk Time

The next opportunity to improve efficiency is to find ways to reduce agent talk time. A systematic approach consists of two steps. First, map the agent-caller dialog and score the agents’ skills in a uniform sample of actual calls to create an inventory of observed opportunities. And second, tabulate the frequency and duration of each to quantify the highest impact opportunities. Such opportunities will typically fall into 5 categories.

Sources Of Excess Talk Time
- Poor soft skills
- Need for additional expertise
- Redundant call handling steps
- Process or policy obstacles
- CRM desktop issues

1. Poor Soft Skills Agents who lack soft skills generally have longer talk times and more calls with unsatisfactory experiences. To assess soft skills, your quality monitoring form likely includes questions to assess proficiency in listening, communicating, problem solving, and managing stressful situations. If deficiencies are evident in a large number of calls, then individual coaching may need to be supplemented with training for an entire center.

2. Need For Additional Expertise Technical expertise can be provided to your agents in several forms. Training and an effective knowledge base gives agents the ability to answer questions quickly by themselves. Support can also be provided with expert staff in each team that the front line can call upon as needed. When there are gaps in training, content, or support resources, agents struggle to find answers, put callers on hold or offer to call back. The result is longer handle times and fewer resolved calls.

3. Redundant Call Handling Steps The most obvious
example of this is when the caller is asked to provide their identification information more than once. Callers may be prompted for their identification in the IVR, and then again by each agent. The impression left with the caller is that the company doesn’t care enough to make the technology work – they’d rather waste both the caller’s and agent’s time.

The root cause of multiple identification steps is not always a lack of CTI technology. Frequently the technology has been implemented but the screen pop arrives late or the agents perceive that it is unreliable. In other cases, asking for identification is a habit that is hard to break, or it’s used to buy time while the agent finishes what they were doing when the call arrived.

Other redundant call handling steps occur frequently in centers where live call directors are used instead of IVRs, or where a significant volume of calls are escalated to specialists.

4. Process or Policy Obstacles Overly complex or rigid policies and processes can also waste talk time. Examples include authorizations that require supervisor or specialist approval, rigid adherence to required diagnostic scripts, and processes that require agents to access multiple independent back-end systems.

5. CRM Desktop The flexibility of modern CRM systems can also be the root cause of excess agent talk time. Complex screens and increasing demands for agents to enter more information about each call make CRM systems more difficult to navigate and use. Web-based CRM systems are also sensitive to network and database performance - and agents can frequently find themselves waiting for screens to respond.

Several of these sources of excess talk time can be identified by quality monitoring teams. Others require a shift in perspective and different tools. Quality systems typically capture a single agent’s talk time only, which is exactly what is required for managers and auditors to assess an agent’s soft skills, completeness, accuracy and efficiency.

However, identifying redundant call handling steps and process/policy obstacles requires different skills and different tools. Analysts need a broader enterprise and external customer perspective to evaluate the entire dialing-to-hangup experience. Such teams typically consist of “detectives” to identify improvement opportunities, and “re-engineers” to design streamlined business processes. These teams also need tools that follow callers from dialing-to-hangup, surviving all transfers and providing visibility of caller interactions with automation, agents & partners.

Recognizing these differences, most companies establish two separate groups. A quality team in the call center to focus on workforce optimization. And, a customer experience team in the business unit to focus on effectiveness and efficiency of end-to-end voice contact processes.

Steps To Success – Acting On The Highest Impact Opportunities

We have now described 9 possible sources of inefficiency in your call center. Getting to root cause and removing these “productivity termites” typically represents an opportunity to reduce total scheduled agent time by 10-15%, with no negative impact on service levels.

To achieve these savings, you must first discover which of these 9 termites exist in your center. And, you must get the enterprise to support and implement the changes necessary to realize the newly discovered efficiencies.

Over the past several years working with dozens of large and small companies, BBN has identified 5 steps to success.

1. Secure Leadership Support
2. Assign A Core Team
3. Provide Necessary Tools & Data
4. Fix The Quick Hits First
5. Focus On The Highest Volume Call Types

Leadership Support Securing executive and cross-functional support is essential to follow through and implement change. Putting your customer’s experiences under a microscope and making them visible to the organization will challenge conventional wisdom and established ways of doing business. Leadership support ensures that your findings are put in the proper context of continuous improvement and serving customers more effectively.

Core Team Discovering and implementing process improvement does not require a large team. But it does require 3 key attributes. First, the team must include “detective” skills – the analytic ability to extract new insights from data. Second, the team must include “re-engineering” skills - to translate new insights into needed changes to business processes and policies. And, finally, the team must have the right organizational support to examine customer contact from an “outside-looking-in” perspective.

Necessary Tools & Data Your investment in tools and data will directly impact the team’s time-to-success. If the team is limited to spreadsheets and easily accessible data, there is significant risk of fatigue and failure. New technologies like the AVOKE Call Browser system can accelerate and amplify the team’s value by empowering them with true dialing-to-hangup customer experience data, combined with powerful analysis and collaboration capabilities.
Quick Hits  There is no substitute for an early victory to provide momentum and enterprise support. Using available analytics technologies, your detectives can quickly find and resolve transfer problems, dropped calls, and excessive IVR opt-outs, for example.

Highest Volume Call Types  Each different type of call has its own dialing-to-hangup lifecycle process. Balance inquiries, for example, have a very different call flow than technical support calls. Therefore, discovering process improvement opportunities requires an independent examination of calls for each different call type. To have the greatest impact, this effort should begin with the highest volume call types.

For each type of call, your detectives and process re-engineers can examine the call flow chronologically from dialing to hang-up and ask a series of critical questions:

- Could this type of call be proactively avoided?
- Could it be entirely or partially self-served?
- Are these calls consistently delivered to the right queue?
- Are transfer policies really necessary?
- Why do some of these calls end unresolved?
- Could the agent handling steps be streamlined?

By systematically reviewing your highest volume call types and asking these questions, your team will discover specific and actionable opportunities to reduce agent-handled call volume and handle time. And, with both the data and actual caller experiences to share with stakeholders and executive leadership, they’ll have the compelling case needed to drive necessary process improvements.

Proven Success

The methodology described in this white paper has been successfully applied across a variety of industries in call centers with one million to over 50 million calls per year. Customers consistently discover a short list of specific actions that will reduce total agent time by 10-15%, while simultaneously improving customer satisfaction. The greatest value is realized by integrating this methodology into continuous process improvement or customer experience strategies.

A New Breed Of Analytics

BBN developed AVOKE Caller Experience Analytics to simply and quickly deliver data and insights about a center’s actual caller experiences to operational management and strategic decision making.

BBN’s solution consists of the AVOKE Call Browser and the AVOKE Caller Experience Methodology. The methodology provides a repeatable framework for synthesizing quantified action plans from your caller’s actual experiences. And, the AVOKE Call Browser is a revolutionary new software-as-a-service that captures and analyzes caller experiences.

Key attributes of the AVOKE Call Browser system include:

True End-to-End View  The AVOKE Call Browser captures the entire call from the moment the caller dials the contact number until the caller hangs-up, including all transfers and all outsourcer partner resources.

Data, Audio and Transcription  The AVOKE Call Browser combines call data, call handling steps, dialing-to-hangup audio recordings, and a full text transcription in a single interactive environment. Search and data views enable discovery of patterns (what happened), with drill-down to actual call audio to understand caller intent and behavior (why it happened).

No Software, No IT Integration  Using patented BBN technology, the AVOKE Call Browser is integrated in the telephone network, not in your data center.

AVOKE Caller Experience Analytics

AVOKE Caller Experience Analytics addresses 2 critical needs: managing caller experience & driving strategic process improvement. Both require an end-to-end view of caller experience, which is provided by the AVOKE Call Browser™ system. AVOKE Analytics customers include 9 electric/gas utilities, 2 of the largest personal computer manufacturers, 4 large telecom/cable companies, 5 of the largest healthcare/insurance providers, the 3rd largest credit agency, one of the largest airlines, and 3 diversified financial services companies.

For More Information

AVOKE Caller Experience Analytics is one of many innovative solutions developed by BBN Technologies. For more information, call (617) 873-1600, send email to: avoke@bbn.com, or visit: www.bbn.com/avoke