



GOOD PRACTICE GUIDELINES FOR THE ESTABLISHMENT OF CONTACT CENTRES

ACKNOWLEDGEMENT

In October 2001 the Scottish Executive held a seminar in Dundee on call/contact centres in the Scottish public sector. The seminar identified that public sector service providers would appreciate guidance on setting up contact centres and this document, which has been prepared in partnership with the Call Centre Association (CCA), is the result. We would like to thank the following people for their support and assistance:

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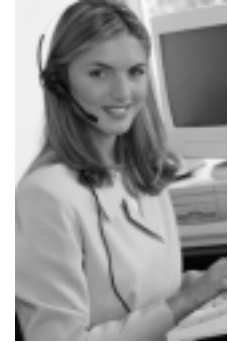
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FOREWORD

Having visited a number of call and contact centres operating in the Scottish public sector I have seen first hand the positive difference a well-run contact centre with well-trained, motivated staff can make to the customer experience. Unfortunately in my private life my experience of dealing with call centres in both the public and private sectors has not always been so positive and that is why I am delighted to be able to introduce these good practice guidelines to you.

The guidelines give clear descriptions of the many areas that must be considered before a commitment is given to establishing a contact centre. They will be a useful tool for those who are currently considering whether a contact centre will help them to meet their customer's needs and those who have already taken the first steps in developing a contact centre strategy as part of their modernising programme.

The modernised public sector the Scottish Executive wants to see is one designed from the viewpoint of the customer – meeting people's needs in ways that are convenient for them. And that means all the citizens of Scotland, particularly those currently most excluded, who are often the most vulnerable members of our community, and the ones most in need of our services. Contact centres clearly have an important role to play in realising this vision and I commend them to you.



Andy Kerr, MSP
Minister for Finance and Public Services

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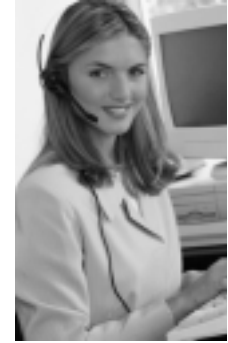
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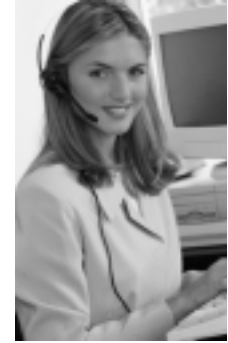
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SECTION 1: INTRODUCTION

KEY CONSIDERATIONS:

- The main theme of modernisation: in the consumer age, we are witnessing the evolving ways in which people do business, which in turn leads to changes in how services are delivered. Customer contact is moving beyond traditional channels to include telephone, e-mail, web and mobile. As people experience efficient service in the private sector and some government agencies, they are becoming less tolerant of inefficient service in some areas of the public sector
- The need for government bodies to apply a customer-focused approach to citizen contact
- The benefits of a contact centre: helping to deliver an improved service to citizens and generate strategic advantage to the organisation
- A contact centre: what it is not, plus the potential pitfalls of establishing a contact centre channel

With the arrival of the consumer age, we are witnessing the evolving ways in which people do business. This is resulting in changes in the way services are delivered. Customer views about the future are clearly expressed. They want:

- choice in how and when they access services;
- quick and efficient delivery of services; and
- to deal with organisations that are helpful and informed.

Customer contact is moving beyond traditional delivery channels to include telephone, e-mail, the web and digital TV, with the telephone still being the first channel most people choose. As people are increasingly experiencing good service in the private sector and many government agencies, they are becoming less tolerant of inefficient service in some areas of the public sector. The challenge this presents to the public sector is how to enhance customer perception and the value the public places on the services offered.

This is the precise theme of the Government's vision to modernise the way the public sector delivers policies, programmes and services. Under this vision for 21st-century government in Scotland the delivery of public services and public information is characterised by putting the customer at the centre of all service delivery. This means giving people choice in how they access services, allowing them to do so in ways and at times that are convenient for them, providing efficient and effective services and continuously improving the way these services are delivered. In embracing this agenda, the public sector will require to adopt a truly customer-focused approach, which will transform the way it provides services and information to citizens. Contact centres are playing a critical role in the delivery of reform and are fast being recognised as key enablers in improving standards and efficiency of service.

GOOD PRACTICE GUIDELINES FOR THE ESTABLISHMENT OF CONTACT CENTRES

In the context of this document a contact centre can be seen as providing the main interface between an organisation and its customers – the people who receive public sector services. It is dedicated to the delivery of services in response to public demand across telephone, electronic mail and fax channels. It can be sited in a single site or networked across different physical locations. The most successful contact centres are those that are aligned to customer needs and are positioned as part of an overall customer management vision. A contact centre should not be positioned merely as a tactical and useful 'add-on', but be fully integrated into the organisation, providing a key delivery mechanism for the customer-focused organisation.

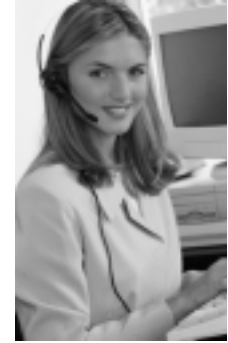
Developing a contact centre aligned to the modernisation agenda can deliver key strategic benefits by:

- enhancing access and offering a clear, published point of contact;
- improving consistency and quality of service by providing a focused approach to customer contact across services;
- increasing efficiency through better utilisation of resources;
- improving customer perception by enabling the delivery of a more efficient, seamless and joined-up service;
- developing a single view of the customer; and
- supporting a corporate approach to customer management.

While you are reading this guide there are a number of issues that you should bear in mind as they will impact on how your contact centre strategy will be shaped. Specifically:

- Are there any existing policies and agreements that impact on the way your organisation delivers services?
- Does your organisation have a no-redundancy policy? If so, can staff be retrained and re-deployed in a call centre environment?
- Will the terms and conditions of employment or employment contracts for existing staff need to be renegotiated?

Before taking any decisions that impact on staff employment or significant changes to their working practices you must consult your personnel department for their view and involve the union that represents the staff affected to make sure your discussions are carried out in an open, non-hostile atmosphere.



SECTION 2: ESTABLISHING THE CONTACT CENTRE STRATEGY

KEY CONSIDERATIONS:

- Understanding current customer contact: access points, demand, volumes, types, etc. How do you go about it?
- Confirming the role and function of the contact centre: what types of services will it support?
- Developing a single customer view
- The need for full commitment and ownership from a senior level
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The background: Market environment and trends

The UK call centre industry has grown rapidly over recent years. Growth peaked at 40% per annum in 1999 and now stands at around 10%. This growth has been driven by widely recognised factors:

- Changing consumer expectations means that people are far more confident and willing to use the phone for a wider range of purposes than they previously would have. For example, to transact, seek specific information, complain and make general enquiries. Reducing social time to organise their lives combined with rising disposable incomes has also had an impact.
- Reduction in the cost of technology and telecommunications to consumers and businesses.
- Demonstrated successes and lifestyle advantages from organisations such as First Direct, Direct Line Insurance or BT ('It's Good to Talk').
- Growth in access to government services built around contact centres – from 13 operations nationally in 1987 to over 130 in 2002.
- Higher demand for 'consumer relationships' by business managers as a means of reducing business wastage and cost.

This growth has not been realised without creating accompanying challenges:

- Staff recruitment and retention, especially in contact centre 'hot-spot' locations such as have been seen in Scotland. This is cited as the number one management issue by call centre management.
- Consumer backlash against badly conceived initiatives (for example 'cold calling' and poorly constructed use of automated call handling technologies such as Interactive Voice Response systems) and poor service delivery (under-trained staff, inappropriate resourcing and staff scheduling, etc.).
- Media focus on poor practice and criticism of call centre service and employment practices which are really management, and not call centre, issues.
- Availability and affordability of middle managers who know how to manage, motivate and control process, measurement, quality systems, technology deployment, customer knowledge management, forecasting and scheduling. Investment to grow and develop this capability can show significant returns.

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The growth of the outsourcing and partnering community and its plans to capitalise on expertise in this under-resourced environment:

- The belief that Customer Relationship Management (CRM) is managed by 'having a call centre' and implementing technological solutions, rather than accepting it as a major organisational commitment to sit customer communication at the heart of the organisation.
- Call centres have been created to deal with 'back office' administrative or processing work and developments in telemarketing or telebusiness (for example advertising response management). As a result, there has been an uncoordinated growth of functions. Disparate structures are inefficient and non-customer-friendly; they lack consistency and good value for the organisation and the consumer.

The priorities for effective management are to:

- keep a core business focus. The critical question is 'are contact concerns and contact processes placed at the heart of the organisation?'
- recognise the organisational needs for:
 - cost management
 - quality management
 - risk management

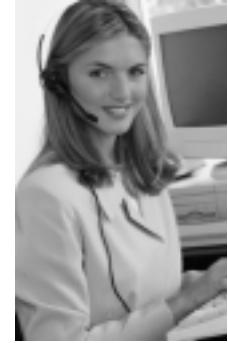
The factors that decide the right contact centre model are:

- the stage in the organisation's overall development towards an electronic customer focus;
- the senior level view on key issues of speed, investment, flexibility, risk and core business purpose;
- attitudes to CRM and the structure of internal relationships; and
- attitudes to partnering within the peer group or externally.

There is a balance (and tension) between logical, business model decision-making and emotional, intuitive, 'gut-feeling' attitudes to investment and 'make-or-buy' decisions on call centres.

The most innovative technological developments play into the hands of the vendors, creating for the business manager:

- challenges of integrating new and existing technologies; and
- high costs of deployment with a real chance of deployment failure (66%-75% of CRM projects 'fail').



A best practice call centre is about:

- understanding the internal and external communications and business objectives;
- ensuring consistency of customer experience and delivery of the best customer option across media chosen by the customer (for example call, letter, e-mail). Integration, or at least co-ordination, and the relationship between voice and other delivery channels is therefore essential;
- processes to underpin this goal of consistency by ensuring efficiency through their initial design and implementation;
- technology to support, not lead, processes, measurement and control;
- standards and working frameworks to ensure ease of management and benchmarked best practice; and
- local and supported initiatives to address specific issues (such as motivation, recruitment, attrition, management availability, call flow demands, etc.).

In summary:

- Contact centres are a recognised and valued (by consumers) channel of access to an organisation. They continue to grow and evolve in line with the development of new channels of service delivery.
- There are maturing supply options: do-it-yourself, outsourcing or various forms of hybrid partnering. The decision is as much intuitive and preference-based as rooted in logic and financial science.
- A clear governing strategy is key and cultural, process and systems compliance with this strategy is best practice. It need not be based on CRM, but requires a practical, insightful approach to understanding customer needs and supporting these to achieve good value for the organisation and the taxpayer.
- The integration or co-ordination of service delivery channels is vital in order to manage and measure value to the customer.

Establishing the strategy function and purpose

The key points in establishing the strategy for your organisation are:

- Discuss and develop ideas and options for contact centre structure and purpose and improved customer management at the highest levels in your organisation.
- Identify and evaluate any weaknesses in the way you manage your customer contacts.
- Discuss, across your business, what improvements can be undertaken and agree what 'success' will look like. Build the vision and the pragmatic and achievable steps you need to get there.
- Consider the financial and investment position both on evaluating and testing the ideas and on fully implementing them.
- Timetables and project plans are critical to managing expectations and delivering the changes.
- Good ongoing communication with managers so that they know how the strategy is developing. This will allow them to consult staff and identify any concerns they have about change, and with potential contact centre users, so that there are no surprises or disappointments for them.

There will be barriers and challenges, especially on such emotive issues as change seen as a threat. There will also be logical barriers. Can you afford the investment? Will there really be cost savings or service improvements? Can the technology do what you want? Will staff be able to cope with the changes and new ways of working? Will your structure and methods of operation allow the project to succeed?

Before deciding on the model to run your call centre, gather the evidence and data needed to make a robust decision:

- The volume of customer contacts you receive and expect, broken down into the smallest units of time possible (for example by hour or day).
- Have this profiled by times of day, days of week and weeks of year to see what the time and seasonal effects are. Knowing this will help to shape your overall resource requirement.
- Look not only at volume of contact historically achieved, but also volume attempted. For example, on a phone system, your resource planning should aim to achieve the full number of 'attempts' (minus re-diallings) and information from your telecom supplier will be of help here. Economies should arise when aggregating call types across departments.
- This process cannot be completed until you are informed, or can take a view, on these additional issues:
 - Types of activity to be managed, for example what customer contacts from what department? What is the nature and purpose of the enquiries? This applies to all media: phone calls, e-mails, letters, etc.
 - Average length of time to manage each type of activity.
 - What improvements can be made to this average with better processes, technology and grouping with other activities?
 - What combined skills are needed to manage these contacts? Where are specialisms or extra competencies and training required?
 - What hours of operation will you offer and what flexibility will there be in staffing rosters?
 - What are your targets or ideas for productivity or staff utilisation? Will you locate staff purely in a call management environment or have them working on administration and other duties as well?

Ownership and positioning within the organisation

Where the contact centre sits in the organisation is a major issue. It should not be an 'add-on' to current services, but fully integrated with clear points of contact with departments outside of the centre. For this reason, many organisations have their contact centres report into a corporate function. This corporate approach relies heavily on 'buy-in' from individual departments and services, so effective communication of the vision and benefits is imperative.



Business models for managing call centres are many and varied. There seems to be little market or data evidence to indicate that any particular model suits a specific situation. We are, however, able to draw some conclusions from such evidence as we have.

The key issues which decide investment, structure and ownership of a contact centre are these:

- View of organisational core competence – can someone else manage it better, including operational management, technology deployment, cost structure and process efficiencies – thought leadership?
- Perceived strategic or tactical value of the operation: the more strategic and core business integrated it is, the more challenging it is to deploy non-traditional methods.
- Communications or call centre champions within the organisation, in other words individuals prepared to argue their case against accepted or common wisdom or prejudice.
- Acceptable degree of risk. For example it is argued that outsourcing is a process of risk management. But there are risks of loss of control, of customer experience and of customer information, let alone the exiting risks from failed partner relationships.

SECTION 3: BUILDING THE OPERATIONAL MODEL

KEY CONSIDERATIONS:

- What is involved in a contact centre? Customers, technology, people, culture, management information, back office systems, data bases, etc.
- Principles involved in devising your contact strategy
- Deciding how many people you need to staff the centre
- Developing a dynamic and robust structure conducive to the contact centre environment
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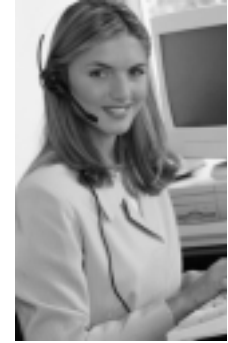
In building the operational model, a key decision is what activity to service through the contact centre. There are many ways of approaching this. The answers to these questions should help:

- What services currently receive a low customer satisfaction rating and does the volume and application of these services support a contact centre approach?
- What call handling groups already exist within your organisation and is there an opportunity to extend the work?
- What services share similar customer clusters, e.g.:
 - benefits and housing?
 - planning and environmental health?
 - arts, tourism and leisure services?
- What services can be deemed suitable against these criteria: volume, pattern, call drivers, first-call resolution capability, system and work-flow requirements, knowledge and skill set needs?

Building the operational model requires competence in the following components of the contact centre.

Systems:

- Technology.
- Telephony.
- Management Information Systems (MIS) (work patterns and forecasting).
- Reporting.
- Integration of all channels.



Human resources:

- Recruitment to ensure the person is right for the contact centre and the centre is right for the individual.
- Training to ensure all staff are managed to the highest levels.
- Information (88.3% of contact centres have regular team meetings).
- Staff management and development (personal development plans).
- Making staff aware of their input into the achievement of company goals through Personal Development Plans (PDPs) (empowerment).
- Retention methods, multi-skilling, escalation processes.
- Culture, etc.

Processes:

- Documentation of all internal and external processes.
- Regular audits and evaluations.
- Educating and informing all relevant parties.
- Working to accepted industry standards, frameworks and methods.

Measurement:

All key aspects of the operation should be measurable.

- Establish definitions of success and communicate these to relevant parties.
- Establish tools of measurement.
- Examine processes rigorously and re-evaluate.
- Ensure common understanding and buy-in.
- Ensure all service level agreements are measurable.
- Understand the value contribution of each process and contact.
- Understand, and act on, the customer experience.

Devising your customer access strategy:

A cohesive customer access strategy is essential. As contact channels grow, customer expectations evolve and services become more complicated, from the customer's and the organisation's perspective. Any access strategy must support integration and consistency across channels. This is challenging, as channels have often been developed independently, without focused management and integration.

In deciding an appropriate access strategy, consideration should be given to:

- customer preference: all research suggests the telephone is the preferred medium, with electronic channels on the increase;
- cost versus value: the need to demonstrate clear value to both the customer and the organisation; and
- capability to support the services.

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Service level objectives should be established for each type of access in terms of response times and workflow procedures. This will allow performance to be measured for each access area.

Within your access strategy, you should develop a telephone numbering strategy. This opens up areas for debate, for example a single number or multiple numbers, freephone or paid. Opting for a single number raises other questions: How will the operation support a single numbering strategy in other words will all staff be multi-skilled? Will Interactive Voice Response (IVR) be used in a front-end capacity for intelligent routing of calls to appropriate specialists?

Whatever decision is taken, it is critical that the number(s) is clear and is logically communicated to the customer.

Note that communication strategies that increase awareness of the telephone numbers and services may well enhance the level of customer demand and the centre will need to be resourced accordingly.

Opening hours:

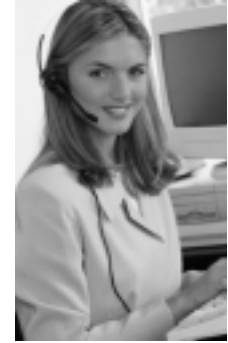
It is widely accepted that contact centres extend normal opening hours. Extended hours of operation increase resource requirements in terms of shift length, supervision levels and staff numbers. Most contact centres in the UK operate 8 am-8 pm, seven days a week.

Any consideration of 24-hour opening should be made against customer demand and associated cost. But customer demand is moving towards 24-hour access and it may be inevitable to service this demand at some stage. You may wish to consider merging out-of-hours activity with neighbouring organisations to achieve greater economies of scale and efficiencies.

Location:

The location of your contact centre is a major decision. In choosing where to site it, bear in mind current and future needs. In assessing a location, these factors, with relevant weightings, should be taken into account:

- Workforce availability and suitability.
- Accessibility in terms of transport and travel infrastructure.
- Labour costs.
- Property costs and availability.
- Associated amenities.



Ergonomics and centre layout:

Occupational health and safety issues are key components in designing an effective workplace. The physical environment of a contact centre has a direct impact on staff satisfaction and performance, so the design must achieve the best balance between technical needs and the social needs of staff. Important considerations include:

- **Workstation:** Is it ergonomically designed? Are chairs adjustable? Is there enough space? Will there be a partition screen and will it allow eye contact? How well positioned are the keyboard, computer screen and turret?
- **Desk layout:** Does it support a balance between privacy and teamwork? Will the team manager sit near the team?
- **Temperature:** Can it be adjusted? Is there air conditioning?
- **Sound:** Will sound-absorbing fabric materials be used?
- **Lighting:** Will it be artificial or natural? Will there be glare on the computer screen?
- **Breakout and rest areas:** Are there enough such areas, located away from desks? Do they support staff socialisation?
- **Training and meeting rooms:** Are there sufficient training and meeting rooms? Do they contain all the necessary equipment?

Structure:

Developing an effective structure for growth is critical to a contact centre's success. Here are some guiding principles:

- It should be robust, flexible and dynamic.
- It should be modular in approach and allow for integration of additional services over time.
- It should allow for career development.
- It should be customer-focused.

There are typical roles within a contact centre:

- **Team leader:** Responsible for managing and developing advisers. This is a key role within the centre, with a focus on coaching and motivating the team. Generally, the ratio is about 12 advisers to one team leader.
- **Contact centre manager:** This is a demanding and skilled job, with overall responsibility for the centre. It requires good people management skills, business acumen, technical knowledge, marketing insight and political savvy!

As contact centres grow, the tendency is to move towards specialist roles for example:

- **Management information analyst:** Responsible for delivering actionable information through the proactive analysis and reporting of performance and customer demand.
- **Forecasting and resourcing analyst:** Responsible for forecasting activity and providing the necessary scheduling of resources.

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- **Call traffic manager:** Responsible for the effective distribution of call traffic across the centre to ensure that service level and productivity targets are achieved.
- **Account manager:** The interface and communication link between the contact centre and the organisation to ensure smooth and effective customer contact.
- **Quality analyst:** Responsible for monitoring quality of customer interactions (written and spoken).

In developing the structure, you should consider these points:

- To what extent will advisers be multi-skilled and work across all media within the contact centre?
- How much empowerment will they have?
- To what extent will teamwork be valued?
- What opportunity is there for career progression?
- Where will support for technology and telephony come from?
- What interface with front and back office is required?

Sizing and shift patterns:

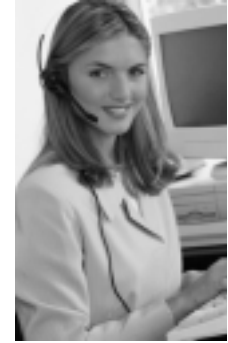
The customer-facing nature of contact centre work requires a dynamic and flexible approach to shift patterns. Normal 9 am – 5 pm, Monday - Friday arrangements, with a one-hour lunch break, are not appropriate. More and more customers are demanding access to services outside traditional opening hours and the contact centre requires to be resourced accordingly.

A variety of shift combinations is recommended, including full-time and part-time staff, with allowance made for breaks, holidays, sickness, training, etc. Calculating the number of staff to meet demand can be a complicated process and requires an understanding of these variables:

- The type and frequency of customer demand across all channels to be serviced in the contact centre.
- Opening hours.
- Staff shifts and patterns.
- The estimated time needed to handle each customer contact, including any associated administration.

Recommendations for the management of shifts:

- Keep the variety of shift patterns to a minimum.
- Consider the scope for two people to job-share with joint responsibility for covering designated shifts.
- Ensure that there is management cover for all shifts, including quiet and unsociable ones.
- Avoid insisting that all staff must rotate shifts.
- Reward your people for flexibility.



SECTION 4: OUTSOURCING YOUR CONTACT CENTRE ACTIVITY

KEY CONSIDERATIONS:

- Be clear why you want to outsource
- Apply a disciplined methodology to find and assess potential outsourcing partners
- Be fair in your engagement and contracting
- Work with your supplier to optimise customers' experience of their contacts with you

Lists of contact centre members are available from bodies like the Call Centre Association (CCA), but knowing which organisations are in the market for outsourcing is not enough. It would be a serious mistake to underestimate the analysis, planning and internal organisational change required to maximise the success of the outsourcing relationship. Before deciding on whether outsourcing is an option you wish to pursue, you must consult your organisation's procurement department to get their advice on formal procurement procedures that apply to your organisation.

Why and what are you outsourcing?

When dealing with such an important decision as outsourcing, you must understand clearly why you have chosen to outsource, the benefits and the risks of doing so, the available options and the financial models and implications associated with the decision.

Research consistently reveals that the main reason for outsourcing contact centre activity is to focus on core competencies, reduce costs and improve quality and effectiveness.

It also shows that, where outsourcing did not work successfully it was because the client organisation outsourced for the wrong reason, for example they:

- failed to specify its requirements clearly, resulting in inappropriate implementation based on assumptions, not agreed facts;
- did not allow the service provider enough of a profit margin to enable it to provide an adequate service; or
- failed to give sufficiently skilled management of the service provider, leading to an irreparable emotional gulf between the two organisations.

In addition, many outsourcers expect too much too soon. The cost savings from any outsourcing contract are likely to be maximised over many years as processes and operations are refined and improved. A good working relationship, essential to optimise such savings, needs time to develop.

It is vital, therefore, that you:

- identify the parts of the business that are non-core and thus appropriate to be outsourced.
- establish robust reasons for outsourcing and demonstrate the business case for it in order to understand the fully loaded cost implications and return on investment.
- evaluate total outsourcing against other options for achieving your objectives.
- define meaningful measures of success and set realistic expectations of the outsourcing contract.
- commit the appropriate level of experienced resource to managing the outsource relationship.

There are a number of different outsourcing options from you can choose. The principal ones are as follows:

- **Total outsourcing:** responsibility for all processes, infrastructure and service is delegated to the outsource service provider.
- **Selective outsourcing:** component parts are outsourced to one or more suppliers, but you retain the elements that match your own competencies or that you prefer to keep in-house.
- **Alliancing:** you work with another organisation to support each other to your mutual benefit, for example to complement one another's activity peaks and troughs, though neither party expressly sets out to be a third party service provider.
- **Co-sourcing:** working with third party suppliers with a greater degree of partnership (for example where the client's customer management team is located at the outsource service provider's premises) through to more formal joint venturing.
- **Hosting:** you manage the operation and own the service responsibility, but the physical infrastructure (premises, workstations, IT, telephony hardware) is rented from the hosting organisation. Usually, you would be responsible for the systems integration and application software. Potentially, any or all of the other component parts (staff, training, etc.) can be provided by you, contracted via the hosting company or sourced separately.

Apply a disciplined methodology

Applying a methodology does not necessarily involve undue delay. Failure to use one often leads to 'more haste, less speed'. A procurement methodology provides a rigid process and framework for reference and comparison, thus eliminating subjective elements and ensuring that a decision is made on as objective a basis as possible.

Define the requirement:

The first and most important step is to develop a full Requirement Specification. This will enable you to understand key information collectively, so that there is a commonly agreed way forward and a reduced chance of a last minute change of brief from an internal source.



The Requirement Specification should address these issues:

- The business objectives and background to the outsourcing decision.
- Descriptions of the services and processes to be outsourced, with documented business processes and flows.
- Current activity sources, volumes, durations and patterns.
- Forecast activity levels and reasons: marketing plans, organisation growth forecasts, etc.
- Current service level and key performance indicator achievements.
- Systems requirements, management information, quality and reporting requirements.
- Timetable for the project, with milestone dates to be achieved.
- Key personnel and responsibilities.
- Costs, budgets and projected return on investment.

Once the requirement has been specified in detail, it is possible to identify the type of organisation most likely to meet your objectives in terms of experience, size, capabilities, location and management style.

Identify and qualify potential outsource service providers:

With the primary qualification criteria in mind, it is now time to draw up a list of potential outsourced service providers (OSPs). Key factors to be considered include the OSP's:

- experience in your area of business and with your type of contacts;
- size and capacity to handle your volume of work;
- management of its other clients' business;
- ethos and quality accreditations; and
- culture and whether it fits with your business.

You can gain this information by asking OSPs to complete a pre-qualification questionnaire or by visiting them personally with a strict agenda that enables you to obtain the information you want.

Enter your collected information and views into a spreadsheet to facilitate comparisons and, ideally, develop a scoring system to help you draw up a list of six or so companies which are to be invited to tender.

Before issuing the Invitation to Tender, it is always prudent to ask the organisations to sign a confidentiality agreement.

The Invitation to Tender:

Prepare the Invitation to Tender document, drawing the main elements from the Requirement Specification document. If you intend to have a high level of involvement in the ongoing management of the outsourced activity, you may wish to be very prescriptive in your requirements. Alternatively, you may look for a high degree of proactivity from your OSP and seek to be challenged with creative solutions.

Whatever your approach, the Invitation to Tender should enable participants to:

- understand the requirement in sufficient detail to identify how they will be able to meet your requirement;
- propose their solution or demonstrate how they intend to meet your requirements; and
- cost their solution.

The Invitation to Tender should include directions on:

- how to respond: what to include and what to avoid;
- deadline for the response and format of the response; and
- how to obtain answers to questions about the tender.

Make the decision:

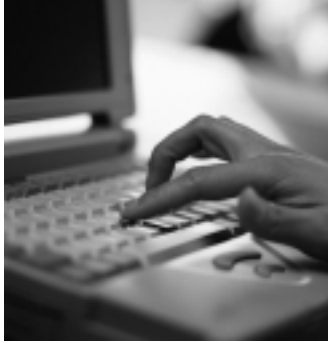
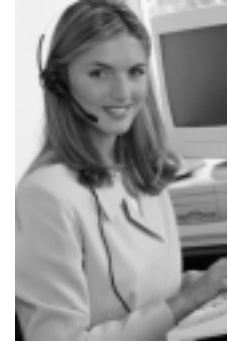
It is important to be as objective as possible. Though price is important, it is not the only measure by which you should choose an outsourcing partner if you are to avoid entering into a contract that is more likely to fail.

You should develop a scoring mechanism that matches the principal requirements laid out in your Invitation to Tender. This enables you to allocate scores against the criteria most important to your organisation. If some factors are more important than others, each item in the scoring model should be individually weighted to reflect its relevance and importance.

Having assessed the responses, you should arrange to visit the top three or four organisations to gain a complete understanding of their operations. Prepare very carefully for this meeting, ensuring you obtain satisfactory answers to all your key questions. Only then can you be sure that any of the organisations can provide a service in line with your requirements.

Contracting and negotiation:

The aim of both parties in any negotiations should be to achieve a 'win-win' situation. The OSP should not overcharge the client. Similarly, the client should not 'screw down' the OSP to a price that makes the OSP's business unsustainable. The ideal situation is where the OSP makes a profit margin that meets its corporate requirements but is reasonable enough not to be too onerous on the client.



All negotiations should be conducted in good faith and positions should be backed up by logical, non-emotional solid argument. It is much easier to agree on a point when both sides fully understand and respect each other's position.

Once the contract has been agreed, it should be filed away. As far as possible, business should then be conducted on a good-faith basis within the bounds of, but not strictly ruled by, the contract.

Managing the ongoing relationship:

Many outsourcing relationships fail because of bad management of the OSP by the client or failure by the OSP to deliver to agreed expectations. Both parties should view the relationship as constantly evolving and should behave accordingly. The client's or OSP's market dynamics may change and a good relationship will develop if each party is willing to adapt its business, within certain guidelines, to meet the other's evolving requirements.

As the client, you should view the OSP as a strategic partner. The OSP should prove its partnership credentials by adding value to the relationship: developing innovative solutions, reducing your unit costs, etc.

The customer is the lifeblood of any organisation and the outsourced contact centre is its public face. Every effort should therefore be made by both sides to ensure that customers have a positive experience whenever they contact the centre.

SECTION 5: PEOPLE

KEY CONSIDERATIONS:

- Creating person specifications, job descriptions
- Attracting the right staff through an effective recruitment process
- Designing and delivering an appropriate induction/training programme
- Training as a motivational and management tool
- Staff retention and career development

Contact centres are very much a people business and represent an important source of mass employment, with approximately 46,000 people employed in the contact centre sector in Scotland alone. According to *Merchants Benchmarking Report 2001*, staff costs account for 67% of total operating costs, which makes the impact of labour critical to financial performance. It is therefore not surprising that organisations are waking up to the fact that strategies deployed to recruit, train and manage are critical to a contact centre's success.

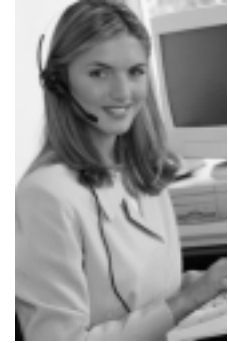
Recruitment

Since the role of a contact centre advisor is very different from a typical clerical role, the development of a robust recruitment process to reflect these differences is critical in ensuring the right people are recruited. This process will greatly influence and drive the culture of the contact centre.

Job descriptions and person profiles:

Key to the recruitment process is the development of a job description and person profile. This requires an understanding of the components of the job and the characteristics needed to fulfil it. In a new start-up situation, it is sometimes difficult to determine exactly what the job will entail. However, an understanding of customer demand and of the objectives and purpose of the contact centre should assist in compiling relevant job descriptions and person profiles. In addition, it is always worth paying a visit to an established centre that is undertaking a similar function.

The job description should provide a clear explanation of the main tasks and responsibilities associated with the role. As far as possible, it should focus on the outcome, in other words **resolving customer queries** rather than **taking telephone calls**. Some organisations include in the job description the factors or measurements of success which can be used to form the basis for appraisal and performance management.



The development of the person profile requires an understanding of the key competencies needed to carry out the role. The skills framework promoted by the industry sector skills council for various grades within contact centres provides excellent guidance in this respect. The framework provides a complete list of skills from which a selection related to the role under consideration can be drawn. These are likely to include generic skills related to customer focus, problem solving, team working, resilience, relationship building and communication. If psychometric profiling is included in the process by which the person profile is built up, this may well increase its validity.

Selection methods:

A reliable and valid selection system, consistent for both internal and external candidates, is recommended. In addition to the traditional face-to-face interview, here are some typical approaches:

- **Telephone interviewing:** The telephone interview is a structured, cost-effective method of examining specific competencies identified as key to the role. It is normally used as the first stage of any selection process and is very useful in screening applicants. The expectation of the role can be clearly communicated to applicants at this stage, enabling 'self de-selection' early on if the job is not what they want.
- **Assessment centres:** Assessment centres are now commonly used for many contact centre operations. They allow the opportunity, through various tests, group discussions and activities, to evaluate in depth specific competencies and skills, for example keyboard accuracy, teamwork, personality traits.
- **Psychometric tests:** There are many psychometric tests, available on the market, which are specifically designed for the contact centre sector. They can add a great deal of value to the recruitment process, since they can act as valid predictors of job performance, but should not be used as the sole basis for selection decisions.

The recruitment process should be dynamic and flexible and reflect the changing needs of the contact centre environment. A focus on evaluating success – '**does our process provide us with the right staff?**' – is critical in ensuring that there is continuous refinement and improvement.

Training

The dynamic environment of the contact centre requires a constant focus on skills development and training. Training is a vital management tool. An effective training strategy that covers both induction and ongoing development is integral to any successful contact centre.

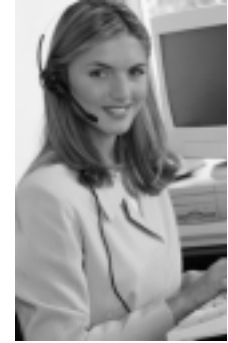
GOOD PRACTICE GUIDELINES FOR THE ESTABLISHMENT OF CONTACT CENTRES

- **Induction training:** Induction training programmes vary in length, but an average time is 3-4 weeks. This programme is a key influencer in culture emergence and, as such, care should be taken to ensure it results in the desired performance and behaviour. This is the experience that will influence the psychological contract in other words the set of unwritten expectations about norms of behaviour – what the individual expects from the organisation and what the organisation expects from the individual. Any comprehensive induction programme should cover, at a minimum level:
 - aims and structure of the organisation and the role and purpose of the contact centre;
 - relevant work processes;
 - knowledge of the particular service(s);
 - customer service techniques across appropriate channels, in other words telephone, letter, e-mail, etc.;
 - IT systems;
 - health and safety;
 - organisational policies and procedures; and
 - team building.
- **Ongoing training and development:** Ongoing training and development is essential to reinforce the initial training message and support continuous improvement. A motivational programme should be implemented, focusing on the learning and personal development of the individual.

Many contact centres often refer to their team leaders as coaches, thus highlighting the importance of coaching in managing and developing people. Coaching, skilfully deployed, is a powerful management tool that delivers results. Appropriate investment should be made to ensure managers are equipped with the expertise to coach effectively.

Many organisations now incorporate some form of online learning into their training strategies. The effectiveness of online learning depends on how suitable it is and how it is applied, in other words policy- and product-based learning tends to be more appropriate than customer service-type learning. Online learning has a place in the contact centre environment, but caution should be taken over its precise application.

Accredited training programmes for contact centre staff are available in the form of Scottish Vocational Qualifications (SVQs). The Call Centre Association (CCA) has developed a rigorous process to approve or accredit specific training offered by suitable external bodies. A list of approved and accredited external courses can be found on CCA's website. CCA has also developed a recognition award that is obtainable through both approved in-house training, including induction training, and a system of supervised continuing professional development. Credit points are accumulated towards an Associate or Fellowship level in contact centre expertise.



Communication and Involvement

A common area of criticism for Contact Centre staff is that they do not have any control of over the services that their customers are contacting them about. Additionally, since the technology often tempts management to measure everything that can be measured there is a potential for staff to feel over supervised.

Since they are at the direct link with the customer, contact centre staff will often be first to identify solutions to problems or the development of issues that may affect performance. They will often have the answer to these problems and simply need to be asked.

The solution is simple. An effective two-way communication process is required which allows for transfer of information. In this way acceptable proposed solutions will often be presented. The key activities measured in the centre should also form a key part of the communication process. Staff should fully understand not only what is measured but also why this is done and for what purpose. Communication and involvement in how the work is done are critical to building and maintaining good staff morale.

Staff retention and motivation

Contact centres are often portrayed as offering little in the way of career progression, so the challenge for many lies in retaining quality staff. Providing them with more variety through multi-skilling can help to retain them longer. Approaches to training and development should consider efficient ways of making the role more varied and interesting.

There is no single solution to retaining staff, but here are some ideas:

- Adopting an inclusive management style through open communication, staff representative forums and increased one-to-one feedback.
- A focus on training and staff development.
- Find out people's long-term ambitions and why they have applied for a job in a contact centre to make sure you recruit people who are less likely to get bored and move on.
- Organising the workload so that staff have a degree of job and task variety.
- Empowering staff to own, and resolve, customer queries by ensuring that they have the necessary tools and support.
- A programme of socialisation, integration and celebration through various social events and activities.
- A programme of reward and recognition that values the contribution of the individual and the team.

SECTION 6: TECHNOLOGY

KEY CONSIDERATIONS:

- Getting through the jungle: top-line description and application of the various information technology and telephony systems
- Specifying the requirement: aligning to the business need
- What can go wrong: taking a cautionary approach

With Government bodies having to refocus around a comprehensive customer service strategy, a major issue is how to apply technology and people to execute it. A host of technical challenges surrounds the integration of information and services, for example integration with existing systems, security of information and funding. For organisations to obtain value from investment in technology, they must break away from 'silo thinking' and adopt a customer-wide strategy.

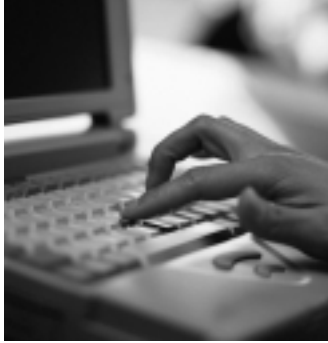
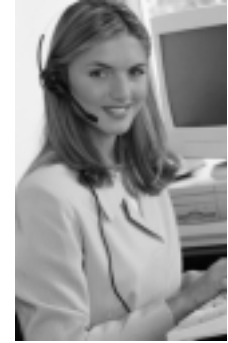
Contact centres rely on a wide range of supporting technologies, so the technology and telephony strategy is critical. Decisions on appropriate technology can be very difficult. This is a highly complex and confusing market and, while the need for technical 'how it works' knowledge is minimal, there must be a fundamental understanding of the features, applications and business benefits of each system.

Automatic call distributors (ACDs)

An ACD is at the hub of contact centre systems. It has been developed to manage inbound calls efficiently. It differs from a normal 'switch' in that it can be programmed to direct the distribution of calls dynamically to appropriate agents, depending on skills or functions. It supports the equalisation of the workload across the team and employs a form of queuing system, which can be configured to varying thresholds. Business benefits tend to centre on increased agent productivity and service levels. Though ACDs have traditionally suited organisations with large call volumes, new developments make them suitable for smaller centres. As a technology, the ACD is advanced and proven. It should be capable of integrating with the existing switch, rather than replacing it.

Interactive voice response (IVR)

IVR is a telecommunications system that essentially operates as an automated agent. Through either 'touch tone' or 'speech recognition', it answers calls, does a variety of pre-programmed tasks, prompts callers for information, provides information, takes messages and routes callers through to the appropriate skilled person and/or function. The pressure to deliver greater efficiencies has led many organisations to incorporate IVR into their call handling to automate routine transactional calls, for example address change or information requests. The business benefits of appropriate IVR integration focus on reduced costs of call handling, speed, convenience and quality of the caller's experience of the contact centre. There has been some public resistance to automation – not surprisingly, as many organisations can be accused of applying it in an inappropriate, cumbersome and non-customer-focused way that results in frustration for the caller. Careful planning and controlled testing with customer feedback are imperative before IVR is introduced.



Computer telephony integration (CTI)

With such a reliance on technology, one of the major challenges for contact centres is the integration of telephony with data. CTI is about the integration of computer equipment with telephone and network equipment, so that the two technologies can share information, thus bringing tangible benefits to the business. From an inbound perspective, CTI can enable pre-identification of the customer through caller line identifier (CLI) or the use of IVR. This offers an automatic means of searching databases and displaying customer records on agents' computer screens when calls are delivered to them. This is known as screen popping and has offered increased productivity gains to many organisations. From an outbound perspective, CTI enables the application and use of predictive dialler systems. A predictive dialler dials numbers on behalf of the agent and only puts through calls that are answered. The main aim of predictive dialling is to increase a centre's contacts by eliminating undesirable calls (for example engaged, no answer, telephone answer machine), thus improving agent productivity. CTI delivers enhanced management information and provides a more comprehensive picture of performance.

Customer relationship management systems (CRM)

CRM is all about knowing more about your customers, so that you can service them appropriately. It is about applying a business philosophy and using technology as an enabler to enhance customer service. A CRM system is designed to support the collection and analysis of customer-relevant information and make it available to the appropriate people within the organisation across all channels. CRM systems work towards delivering a single integrated view of the customer, enabling customer contact rules to be developed that can trigger specific strategies for servicing customers. There are many vendors operating in the CRM market and the task of selecting one is difficult. Some local authorities have developed their own in-house approaches by using the council tax or electoral registers to provide a corporate database and deliver staff access to the system via the council's intranet. (Call and contact centres in local Government – getting it right.)

The web and the contact centre

Increasingly, the web is becoming a popular channel and the challenge for many contact centres is the integration of web-based interactions:

- **E-mail management:** Handling high volume e-mail traffic requires investment in a dedicated e-mail management system designed to provide knowledge bases, key word search, answers to frequently asked questions, automatic receipting and management of service levels.
- **'Call me' buttons:** Website requests can be made, via 'call me' buttons, for telephone connection to an agent. Multiple 'call me' buttons can be posted into different sections of the website to direct enquiries to the most appropriate person. Though it is relatively inexpensive, this form of communication has not by any means taken off to the extent that was originally predicted.
- **Web page synchronisation:** Agents and customers can browse the same page. Agents can share static and dynamic web content with customers, navigate them around the web, help them complete secure web-based forms or transfer downloadable files.

Workforce management systems

Workforce management systems deliver the required forecasting, monitoring and adherence capabilities to ensure optimal staffing. The benefits of incorporating such systems can be:

- improved accuracy of forecasts;
- more cost-effective and efficient scheduling; and
- better schedules to help reduce queues and abandoned calls.

The reliability of the system depends on the accuracy of the data inputted. It is particularly effective in bigger contact centres (more than 100 seats), but can be used in smaller centres. The chosen system needs to integrate with the ACD and, in some cases, the payroll system. Every contact centre is different, so it is important to ensure that the software is compatible with the environment and can produce suitable reports.

Call recording

A valuable technological enhancement for contact centres is automatic call recording equipment. This provides a digital transcript of conversations and is a very useful tool in satisfying compliance, managing customer disputes and evaluating conversation quality.

A checklist for successful selection and implementation

- **Why do IT projects fail?**
 - Too little.
 - Too late.
 - Business has moved on.
 - Not the cure-all solution hoped for.
 - No clear critical success factors.
- **What are the cornerstones of successful implementation?**
 - Have a number of key deliverables.
 - Have a measured/modular approach.
 - Create measures of success.
- **What are the key IT requirements?**
 - Meet the business requirements.
 - Be scalable, flexible and robust.
 - Add value.



- **The vendor jungle**
 - Have some healthy scepticism!
 - See the solution in a live environment.
 - Get the vendor to fast-track a solution/prototype.
 - Talk to the references.
 - Understand what is not included in the price.
 - Get a price for the desired end point.
- **Ask yourself**
 - Is it what your customers/citizens want?
 - Will it make us more efficient?
 - Will it increase customer service?
 - Will it fit our processes and systems?
 - Will our people accept it?
- **Implementation**
 - Full acceptance test before going live.
 - Train your people.
 - Don't go live on the busiest day.
 - Have robust contingency plans.
 - Expect to have problems.
- **Spend your money wisely**
 - Focus on the maximum impact areas.
 - Invest in a timely manner.
 - Be pragmatic about the features you need (many products offer functionality that is not required and drives costs up).
 - Look at alternatives to the desired functionality.
- **And finally**
 - Think big.
 - Plan in modules.
 - Be realistic and pragmatic.
 - Measure success.

SECTION 7: PROCESS

KEY CONSIDERATIONS:

- The importance of mapping and improving the various processes
- What measurement Key Performance Indicators (KPIs) should be in place? Service level targets?
- How do you forecast activity and schedule resources accordingly?
- How should you focus on continual performance improvement?
- CCA standards

Process – the engine of any successful contact centre – is often the most overlooked element of set-up. Experience shows that failing contact centres do not follow quality processes, relying on an impromptu approach to solution management. This has a negative effect on staff morale and sets the centre into a negative spiral from which it becomes increasingly difficult to emerge. By insisting on a first-class process, the wise contact centre manager avoids many later problems and establishes the basis for constant enhancement of the service offered to customers.

Process mapping

Successful set-up and development of contact centres relies on the effectiveness of business processing. Critical to the planning and ongoing management of the centre is the need for comprehensive process mapping. This involves gathering and organising facts about your processes, representing them in a way that enables you to identify actual or ideal paths and reveal problems and potential solutions.

Process mapping should be 'as it actually is', not what procedural manuals say or what people think it is. It should be conducted 'outside in' (in other words from the customer's perspective) in order to identify problem areas and opportunities specifically related to the customer experience. Improving processes will include:

- eliminating entire processes or unnecessary portions of processes;
- combining tasks;
- changing the sequence in which tasks are accomplished; and
- changing the ways in which tasks are carried out.

Measurement

A contact centre's ability to generate data often far exceeds its ability to use it.

An over-emphasis on productivity and automatic call distributor ACD measures is not enough to reflect how the centre adds value to the organisation. There is a need to focus more on outcome, rather than just activity.



The focus must be on tracking, analysing and interpreting the data gathered in order to make informed decisions. The measures should encompass department, team and individual activity. They should be relevant and achieve a balance between value and cost. They should focus on the customer, the people and the business and should translate to meaningful KPIs like:

- Quality of the customer interaction for example:
 - Customer satisfaction and feedback
 - Conversation monitoring and evaluation
 - Mystery shopping, etc.
- Staff development and progress for example:
 - Development and training
 - Performance
 - Attrition, sickness, etc.
- Efficiency of delivery for example:
 - Service levels
 - Agent productivity
 - Line utilisation
 - Schedule adherence, etc.
- Financial viability for example:
 - Cost per call
 - Overhead and direct costs
 - Cost to service customers

Interpretation of the measured indicators should take account of how the different measures relate to each other, as together they can paint a fairly complete picture of contact centre performance, whereas isolated metrics can be misleading.

Managers should be trained to **interpret and analyse KPIs**. Merely focusing on them will not inherently improve them. Improvement comes from optimising the factors that cause them to be as they are. For example, by monitoring 'cost per call' as a KPI, you identify the variables that drive it up or down and their impact. A climbing cost per call can be a good sign, depending on the variables driving it up. For instance, process improvements may result in fewer calls than would otherwise be necessary (for example eliminating the need for customer call-backs).

The CCA has developed a Standards Framework as an operating guide through which expectations of efficiency and customer service can be fulfilled. It is a collection of simple statements, designed for the industry by the industry, against which you can judge if your focus on customers and staff is maintained during development or major change. The Framework seeks to identify areas in which activity should be focused, but within that focus allows complete freedom of commercial decision-making.

It is not just the hard facts (call volumes, service levels, etc.) that should be measured. These technical measures do not reflect the customer's experience, nor do they give an indication whether the conversation properly represents the 'brand'. Traditionally, even 'mystery shopper' analysis has focused on harder measures, assessing whether the agent followed the script and asked the right questions. For instance, a call may be completed by an agent in the time allocated and the outcome may be the correct one, but there is no indication of the customer's take-out from the call. Were they happy at being rushed through the call? Did they have further questions or want more detail than was provided?

In this brand-conscious age, the contact centre has often failed to support a company's professed brand image. One reason for a failure to focus on quality of conversation is that, historically, it has not been possible to assess something as intangible as conversational quality. However, the increased focus on branding within contact centres, plus the reflection of the brand in customer communications, has given rise to a new set of measurements capable of assessing customer take-out from a call. Measuring conversations will soon be as integral a part of contact centre management as any of the current metrics.

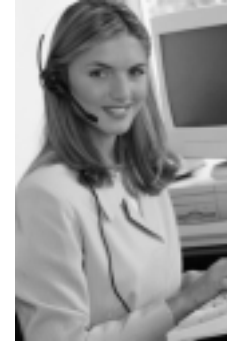
Forecasting and scheduling

There is a need to understand the drivers of customer demand for example:

- customer lifecycle;
- marketing and communication activity; and
- seasonal trends.

For inbound scheduling of staff, you should as far as possible match resource with demand. This requires an understanding of queuing theory and Erlangs (units of telecommunications traffic measurement used to describe total traffic volume in one hour). Many Erlang calculators can be downloaded free from the internet. In order to calculate your staffing requirements using an Erlang formula, you will need, as a minimum: number of calls forecasted, average duration of these calls, average delay you feel is acceptable for incoming callers to experience.

Workforce management systems (see section 6) can convert forecasts into staff requirements by using such service standards as the grade of service and average waiting times.



Process improvement

Ensuring that there is a focus on continuous process improvement to deliver excellent and efficient customer service is a challenge for the best contact centre managers. Here are some guidelines:

- **Understand customer demand and apply techniques of root cause analysis to help eliminate recurring problems by:**
 - analysing customer demand events for their root causes;
 - accurate forecasting of volumes;
 - evaluating each event for elimination benefit;
 - understanding all of the factors involved in reaching a solution;
 - selecting the problems for action; and
 - executing a process improvement action plan.
- **Utilise customer feedback to enhance the offerings and services provided by the centre to:**
 - increase sales of products or services, thus enhancing the revenue generated by the centre from those customers; and
 - promote advocacy amongst the centre's customers, thus encouraging new customers to purchase the client's products, either directly or through other channels.
- **Evaluate conversation quality:** This is an increasingly important tool in a centre manager's portfolio. It can work as a defensive mechanism, enabling you to understand negative issues and manage them while they are still small, or as a proactive mechanism, promoting opportunities for increased customer satisfaction and, therefore, revenue generation.
- **Employ benchmarking:** This helps you to develop a better understanding of your industry and identify 'best in class' practices. The Scottish Executive and CCA have developed a benchmarking service. For more info, contact C21g@scotland.gsi.gov.uk
- **Adopt recognised industry standards such as those developed by the CCA:** Details of the CCA standard can be found at www.cca.org.uk
- **Promote industry awareness:** Keep up to date on industry developments in process practice and technical development. The contact centre industry and its suppliers are growing significantly in number and continually bringing new practices and technologies to the marketplace.

Knowledge management

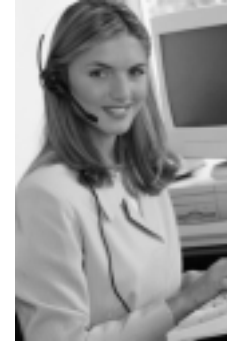
A major issue in contact centres is timely access by agents to information to assist them in servicing the customer. This, especially in the early days of a centre, adds significant time to the length of a call and frustration to the customer.

In addition, one of the biggest threats to any contact centre is the attrition rate of staff within the industry. Quite often, knowledge is widely and unequally distributed within the minds of the agents. As staff members leave, a certain amount of knowledge goes with them.

A knowledge-base solution significantly reduces the threats posed by both these situations and ultimately enhances the customer's experience. The ideal knowledge base stores resolutions that can be accessed and easily understood by the agent, using a minimum of effort. It is able to build dynamically and to import answers to new problems, questions and issues that arise.

Effective knowledge management is the backbone of any customer sales or service centre. It helps advisers to deliver 'first call resolution' and increase customer satisfaction.

Your knowledge management strategy should reflect how it creates customer value, how that value supports an efficient model and how staff deliver value effectively. It should support multiple channels of user access, for example a comprehensive knowledge base can be placed on a self-service website, thus significantly decreasing the costs of customer service.



SECTION 8: MANAGING IMPLEMENTATION

KEY CONSIDERATIONS:

- Developing a phased approach to implementation
- Successful project and change management
- The importance of culture in delivering change
- Facilitating the emergence of a positive culture

The setting up and development of a contact centre in government bodies can best be achieved through a phased programme that allows for the integration of extra services over time.

The task of developing the right approach and devising a plan to put it into effect can be daunting. The issues to be considered include:

- systems and telephony: critically the systems considerations should include the interface of the contact centre with supporting departments of functions to ensure continuity of processing;
- facility design;
- organisational design including how internal relationships with other business areas will be identified, reviewed and resolved;
- staffing;
- vendor management; and
- business process.

Successful implementation will rely on a comprehensive approach to the project and to change management. Below are some guidelines for success.

Creating the blueprint

This will provide the design required for the contact centre and should offer answers to these questions:

- What changes does the organisation need in relation to:
 - strategy, for example vision, role and purpose, channel strategy;
 - culture and change management;
 - operations, for example location, functional design, outsourcer selection and implementation if required, processes, resource management, opening hours, ergonomics, forecasting, service level agreements, targets, management information;
 - human resources, for example structure, job profiles, training and development, resourcing and selection, reward and recognition, performance management, policies, career development, retention; and
 - systems and telephony, for example architecture, telephony, applications?

- How will the successful completion of the project be measured?
- What level of resource commitment will be required?
- What cross-functional activity will be needed?

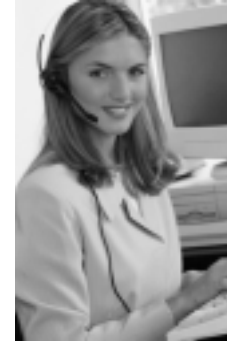
Creating the project plan

This entails devising a detailed plan and establishing the key steps, the links between these steps and the timescale. You must:

- determine the discrete tasks and associated deliverables;
- establish the milestones and interdependencies; and
- allocate the appropriate resources and timing.

Managing the project

- **Appoint a strong project manager:** This post is critical to the success of implementation. A good project manager is one who offers strong leadership, a methodical approach to work and excellent communication and presentation skills. A key element of the role is the ability to foster a culture of sharing and exchanging information. Regular group discussions and workshops are useful in achieving this and are also the best way to bring issues out into the open and obtain commitment on contentious matters.
- **Select the project team with care:** Understand what skill sets are needed and how they can be best matched against available resource. The team is likely to embrace varied levels of expertise and training. By utilising contractors or consultants, any skills gaps should be able to be overcome.
- **Manage risk:** It is important to identify and document risk factors at the start and carry out routine monitoring during the course of the project.
- **Manage expectations of senior management:** Be realistic about the goals and benefits of the project and communicate accordingly. There are two main areas of expectation that tend to run ahead of events:
 - speed of implementation; and
 - speed of demonstrated return on investment.
- **Achieve 'buy-in' early on:** Think about your communication, be clear, motivational and effective and involve people early in the process.
- **Communicate success:** Go for some quick 'wins' and communicate them, for example completed contract negotiations with the selected IT vendor, successful pilot delivery, appointment of contact centre manager.



Facilitating culture change

The cultural issues affecting change programmes are integral to the project. To plan it without considering potential cultural resistance is to plan for failure. If successful, the implementation and management of contact centres plays a critical role in transforming the way an organisation provides services and information to citizens and in making it more efficient and customer-focused. If the organisation's culture does not support this move, it will go on applying old and irrelevant ways of doing things to new developments, thus making it impossible to implement change.

As the place of culture in driving change and performance is more widely recognised, it is becoming, on merit, a key agenda item for senior management. Culture has always fascinated psychologists and an abundance of research has been produced over the years. Though this is a complex subject, common themes emerge such as:

- Culture is linked to a pattern of beliefs, values and perceptions that manifest in behaviours. Any culture emergence must focus on these patterns.
- Culture is not static, but constantly evolving.
- Time is needed for behaviour to change. It does not happen overnight.

Successful contact centre cultures tend to be those where:

- there is a strong focus on customers, on understanding their needs and driving quality customer service;
- there is a high degree of staff accountability, ownership and empowerment;
- senior management advocates defined corporate values in relation to trust, integrity and respect;
- the value and contribution of the contact centre to the organisation is realised and communicated;
- there is genuine teamwork;
- staff morale is high;
- there is open communication between senior management and employees; and
- an inclusive approach to management is adopted and staff views really count.

Unsuccessful contact centre cultures tend to be those where:

- there is a lack of strategic vision for the centre and how it contributes and adds value to the organisation;
- an over-reliance on productivity measures exists;
- customer contact is process- and technology-driven, not customer-driven;
- management style is about enforcement rather than leadership and development; and
- staff morale is generally low and they often feel they are victimised and have little control.

Useful tips for facilitating cultural change

- Cultural change begins with a clear vision of the organisation's new or desired direction and the related values and behaviours. It will only proceed effectively if there is full commitment by senior management to the new values and the need for change.
- Analysis of the existing culture and the influencing drivers is a useful starting point. There are many 'culture audit' tools in the market to help you establish the gap between the current culture and the one to which you aspire.
- By understanding what drives culture, effective interventions to help existing collective values, beliefs and assumptions to evolve can be devised.
- Create openness to change by helping staff and unions understand the gap between the current and desired position. Ensure that positive messages are relayed through clear and effective communication. Regular discussion and consultation is also strongly recommended.
- Remove any negative obstacles that stop positive behaviours from emerging, for example inappropriate management, time-consuming and irrelevant processes.
- Ensure that managers 'walk the talk' and evolve their role to focus on coaching and facilitating.
- Make training a catalyst for cultural change through a planned approach to staff development that promotes the desired values.
- Incorporate a planned programme of celebration, socialisation and recognition.
- Ensure that the recruitment process for new recruits aims to match candidates with the desired cultural fit.
- Analyse the progress of change by monitoring defined behavioural and commercial indicators.

Further copies of this report are available from

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