CALL CENTER BEST PRACTICES
PART 1

This session explores key performance indicators, how they differ from supporting metrics, and how to select KPIs that meet the different information needs of executives, management and agents in order to facilitate good decision making. Also learn how the way in which metrics are measured – the system formulas or custom calculations used – can impact how they should be interpreted.

Strategy
• Who are we? Why are we here? What do we do?
• What is important to us and our customers?

Metrics
• Key Performance Indicators versus secondary metrics
• What to measure?
• Information Customers: Who gets what?
• Is “industry standard” right for you?

Measurement Methods:
• How to measure KPIs and metrics
• System-available formulas versus custom calculations
CORE COMPONENTS

Performance Management

- Strategy
- Metrics
- Measures
- Objectives
- Supporting Processes
- Roles & Responsibilities
BENEFITS OF A PERFORMANCE MANAGEMENT FRAMEWORK

✓ Removes the guesswork from your daily job.
✓ Focuses everyone on clear, common and relevant goals.
✓ Promotes team success rather than individual competition.
✓ Acknowledges and accommodates individual differences.
✓ A formal program gives credibility to management processes.
✓ Creates consistency across the organization.
✓ Builds trust and ownership.
✓ Upholds the rights of all team members.
✓ Promotes enthusiasm in a dynamic, cooperative work environment.
STRATEGY

Your strategic plan should consider four key view points

  Customers
  Agents
  Call Center Managers
  Organization

Mission Statement

  helps define and align strategies
  focuses discussions
  aids in decision making
  should be short and snappy, easy to understand, meaningful and lasting
Write your vision statement:
A vision statement demonstrates what you represent and aspire to in the future. Why are we here?

_____________________________________________
_____________________________________________
_____________________________________________
_____________________________________________

Write your mission statement:
A mission statement succinctly identifies the end result of your efforts and ensures that work and planning support the vision. It’s a reminder to employees of what you’re all about. “What do we do?”

_____________________________________________
_____________________________________________
_____________________________________________
_____________________________________________
TRANSLATING STRATEGIC GOALS INTO OPERATIONAL ACTIONS

**Key Metrics**
- What will we measure? What metrics will directly link our efforts to the overall goals?

**Measurement methods**
- How will we measure our performance against the chosen metrics?

**Objectives**
- What will our targets be for each selected metric, both for Key Performance Indicators, and Secondary Indicators?

**Supporting Processes**
- How will we make sure that we continue to contribute and succeed?
- What do we need to do to measure performance and meet the objectives?

**Actions: Specific Roles & Responsibilities**
- Who does what? What are the expectations of each member of each team?
METRICS

What should we measure?

What indicators will directly reflect our efforts for the mission?
SELECTING METRICS

- Service Level
- Customer Satisfaction
- Forecast accuracy
- Calls per hour
- Speed of Answer
- Schedule Adherence
- Cost per Contact
- Error Rate or Rework
- Employee Retention
- Handle Time
- Variance
- Conversion Rate
- Quality Score
- Abandon Rate
- First Call Resolution
- Occupancy
- Blockage
Choose KPIs and metrics for each Performance Area that reflect or respect the needs of all Stakeholders.
# METRICS IN CONTEXT

<table>
<thead>
<tr>
<th>Business Performance</th>
<th>Staffing Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Satisfaction</td>
<td>Occupancy</td>
</tr>
<tr>
<td>Employee Retention/Satisfaction</td>
<td>WFM Accuracy</td>
</tr>
<tr>
<td>Cost/Revenue</td>
<td>Group roll-up of agent measures</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Technical Performance</th>
<th>Efficiency Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Call blockage</td>
<td>Service Level</td>
</tr>
<tr>
<td>System/network response and latency</td>
<td>Speed of Answer</td>
</tr>
<tr>
<td>Interface ease of use</td>
<td>First Call Resolution</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Transaction Measures</th>
<th>Agent Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conversion/Sales Rate</td>
<td>Quality score</td>
</tr>
<tr>
<td>Customer Retention/Save Rate</td>
<td>Calls per hour</td>
</tr>
<tr>
<td>Record Keeping</td>
<td>Schedule Adherence</td>
</tr>
<tr>
<td></td>
<td>Availability</td>
</tr>
</tbody>
</table>
MY METRICS

Productivity

- calls per hour
- abandon rate
- handle time

Quality

- quality score
- service level
- first call resolution

CSAT/ESAT

- Customer Satisfaction Score
- Employee Satisfaction Score
- Net Promoter Score

Business Performance

- conversion rate
- revenue/cost per contact
- forecast accuracy
Complete for metrics you currently use.

<table>
<thead>
<tr>
<th>Metric</th>
<th>What does it tell us?</th>
<th>Why is it right for us?</th>
</tr>
</thead>
<tbody>
<tr>
<td>e.g. Service Level</td>
<td>Proportion of calls we are treating within our target time. Quality of service in speed of response. Accuracy of WFM plans.</td>
<td>Consistent and timely response to customer calls = improved customer satisfaction.</td>
</tr>
</tbody>
</table>
HOW TO VALIDATE KPIs

Go back to the top.

Consult the mission and vision statements....often

Consult with upper management and executive suite on strategic goals and direction.

Most strategic goals boil down to specific, measurable actions.

Is it truly a Key Performance Indicator or a secondary indicator or supporting metric?

Ask the questions:

Why should we measure this?

What does it mean to us?

What does it mean to our customers?
E.g. Agent Productivity

KPI

Tier 2 metrics

Handle Time
Schedule Adherence
Availability

Tier 3 metrics

Talk Time
Post-call work
Non-contact work
Sign-on hours

True calls per hour
**Complete for metrics you currently use.**

<table>
<thead>
<tr>
<th>Metric</th>
<th>What performance area does it reflect?</th>
<th>Is it a KPI or supporting metric?</th>
</tr>
</thead>
<tbody>
<tr>
<td>e.g. True calls per hour</td>
<td>Agent productivity/efficiency</td>
<td>KPI, influenced by Handle Time, Schedule Adherence and Availability</td>
</tr>
</tbody>
</table>
**INFORMATION CUSTOMERS:**

*“WHAT DOES THIS MEAN TO ME?”*

<table>
<thead>
<tr>
<th>Whose Perspective?</th>
<th>What are they concerned about?</th>
<th>Key Performance Indicator or Secondary</th>
</tr>
</thead>
</table>
| Agent                        | 1. Am I providing quality service according to our team’s documented quality definitions?  
                              | 2. % of my shift I am expected to be logged on and available for or performing work.  
                              | 3. Length of time I spend on each call.  
                              | 4. Am I following procedures for classifying work?                                                                                                             | 1. Quality scores  
                              | 2. %Availability  
                              | 3. KPI: True Calls/Hour  
                              | 2nd: Average Handle Time  
                              | 4. Use of Activity/NR Codes                                                                                                                                         |
| Supervisor/Shift Leader      | 1. % of time agents are logged in and available for or performing work.  
                              | 2. Real-time: do we have enough staff on to answer the call volumes?  
                              | 3. Overall productivity or use of resources (too high risks turnover, too low is inefficient)                                                                      | 1. %Availability  
                              | 2. %Service Level  
                              | 3. Schedule Adherence  
                              | 4. %Occupancy                                                                -labelled: KPI %SL & ASA  
                              |                                                                                                              | %Occupancy                                                                                                  |
| Manager                      | 1. Set team goals and assist staff in setting personal goals  
                              | 2. What proportion of staff time is spent on non-productive activities? What are the impacts on productivity & staffing?  
                              | 3. Why are people calling? Do we have the right skills?                                                                                                         | 1. Continuous  
                              | 2. Not Ready %  
                              | 3. Activity Code %  
                              |                                                                                                              | %Forecast Accuracy  
                              |                                                                                                              |                                                                                                              |
| Senior Management Team       | 1. Set dept. goals and assist staff in setting personal goals  
                              | 2. Meeting overall operational requirements based on organizational mission and goals.                                                                           | 1. Quality  
                              |                                                                                                              | 2. Cost  
                              | 3. Productivity                                                                                               |
BEWARE THE BUZZ ABOUT “INDUSTRY STANDARD” METRICS

E.g. First Call Resolution (FCR) does not work for everyone:

- Hospital bed/transfer booking
- Field technicians/Dispatch
- Sales support
- Travel agent
- Advanced tech support

Ask the questions:

Why should we measure this?

What is it really telling us?

Do we know it’s important to our customers, or are we making an assumption?
COMMON PRACTICE VERSUS BEST PRACTICE

• Take advice with a grain of salt.
• Do your homework, but be prepared to reject industry standards.
• Make sure metrics represent actions that support strategic goals in your organization.
MEASUREMENTS

How should we measure?
What data sources and calculations will most accurately measure our key performance indicators and supporting metrics?

• Data sources
  • ACD, IVR, WFM, QM, CRM, manual/spreadsheets

• Calculations (system and custom)
  • E.g. how is Service Level calculated in your system?
  • Does the standard formula make sense for us?

• Available tools and technology
  • Reporting options:
    • standard reports from various systems
    • export and manipulate in Excel
    • custom reports
    • integrated data management
CUSTOM FORMULA

1. **Service Level** = \( \frac{(Total\ calls\ answered\ within\ threshold + calls\ abandoned\ within\ threshold)}{(total\ calls\ answered + total\ calls\ abandoned)} \) * 100%

2. **Service Level** = \( \frac{(Total\ calls\ answered\ within\ threshold)}{(Total\ calls\ answered)} \) * 100%

3. **Service Level** = \( \frac{(Total\ calls\ answered\ within\ threshold)}{(Total\ calls\ answered + Total\ calls\ abandoned)} \) * 100%

4. **Service Level** = \( \frac{(Total\ calls\ answered\ within\ threshold)}{(Total\ calls\ answered + Total\ calls\ abandoned\ after\ threshold)} \) * 100%

5. **Service Level** = \( \frac{Total\ calls\ answered}{(total\ calls\ offered - calls\ abandoned\ within\ 6\ seconds)} \)

6. **Service Level** = \( \frac{Calls\ answered\ within\ 20\ seconds}{(total\ calls\ answered + calls\ abandoned\ after\ 20\ seconds)} \)
MORE THAN A NUMBER

Variance   Percentage   Average   Trend

These are all modifications to the raw data that apply some context and can bring the picture into better focus.

Which is more meaningful:

<table>
<thead>
<tr>
<th>Metric</th>
<th>Raw number</th>
<th>With context</th>
</tr>
</thead>
<tbody>
<tr>
<td>Handle Time</td>
<td>00:03:45 per call</td>
<td>Variance: 8% below target</td>
</tr>
<tr>
<td>Not Ready</td>
<td>02:04:50 per day</td>
<td>Percentage: 26% of login time</td>
</tr>
<tr>
<td>Calls handled</td>
<td>125 per day</td>
<td>Average: 25 per busy hour</td>
</tr>
<tr>
<td>Abandon rate</td>
<td>4.2% for the day</td>
<td>Trend: down 1.2% month-to-date</td>
</tr>
</tbody>
</table>
KPI MEASUREMENTS
TEAM & MANAGEMENT PERFORMANCE

Cost per Call

Quality Scores

SL & ASA

Forecast & Staffing Accuracy

**Service Level**
Efficiency Measure

Formula:
\[
\%	ext{Service Level} = \frac{[(\text{CallsAnswered} + \text{CallsAbandoned}) - (\text{CallsAnsweredAftThreshold} + \text{CallsAbandonedAftThreshold})]}{\text{CallsAnswered} + \text{CallsAbandoned}} \times 100
\]

E.g. Objective: at least **80%** (on threshold of 20 seconds)

Example:

<table>
<thead>
<tr>
<th>Time</th>
<th>CallsAnsw</th>
<th>Ans&gt;20sec</th>
<th>CallsAban</th>
<th>Aban&gt;20sec</th>
</tr>
</thead>
<tbody>
<tr>
<td>9:00-9:30</td>
<td>100</td>
<td>12</td>
<td>25</td>
<td>10</td>
</tr>
</tbody>
</table>

\[
\%\text{SL} = \frac{[(100+25) - (12+10)]}{(100+25)} \times 100 = **82.4\%**
\]

Target Achieved!
THINK ABOUT THIS…

In the calculation for %Service Level:

\[
\text{%Service Level} = \frac{[(\text{CallsAnswered} + \text{CallsAbandoned}) - (\text{CallsAnsweredAftThreshold} + \text{CallsAbandonedAftThreshold})]}{\text{(CallsAnswered} + \text{CallsAbandoned})} \times 100
\]

should it include call results other than Answered or Abandoned (i.e. opted out to voicemail or otherwise terminated, with Calls Offered as the denominator)?
Forecasting Accuracy
Effectiveness Measure (WFM)

Formula:
% Offered of Forecast = Calls Offered/Calls Forecasted * 100

E.g. Objective: +/- 10% or 90% - 110%

Example:

<table>
<thead>
<tr>
<th>Time</th>
<th>Forecasted</th>
<th>Offered</th>
</tr>
</thead>
<tbody>
<tr>
<td>9:00-9:30</td>
<td>125</td>
<td>118</td>
</tr>
</tbody>
</table>

% Offered of Forecast = 118/125 * 100 = \(94.4\%\)

Target Achieved!
**Average Handle Time**

Team Efficiency/Productivity Measure

Formula:

\[
\text{Average Handle Time (AHT)} = \frac{\text{Skillset Talk Time} + \text{DN Talk Time} + \text{Pre-Post Time}}{\text{Skillset CallsAnswered} + \text{DNInAns} + \text{DNOut}}.
\]

E.g. Objective: **18 min +/- 10% or ~16 – 20 min**

Example:

(Totals for all agents in LoB)

<table>
<thead>
<tr>
<th>CallsHandled</th>
<th>Talk Time</th>
<th>DN Talk</th>
<th>Pre-PostTime</th>
</tr>
</thead>
<tbody>
<tr>
<td>204</td>
<td>2457 min</td>
<td>546 min</td>
<td>577 min</td>
</tr>
</tbody>
</table>

\[
\text{AHT} = \frac{(2457 + 546 + 577)}{204} = \boxed{17.5 \text{ min}}
\]

Target Achieved!
WHAT IS TRUE CALLS PER HOUR?

True or Adjusted Calls per Hour is a performance measure of agent productivity.

More fair and representative than a straight count of Calls Answered:

- eliminates elements that are not in agent’s control, such as shift lengths and time spent waiting for calls.

More informative than Average Handle Time (AHT):

- is impacted by availability or login time, rather than just talk time and not ready or aux time.

True Calls per Hour = 
Calls Answered / (Login Time – Idle or Waiting Time)
**True Calls per Hour**
Agent Productivity Measure

Formula:
True Calls per Hour = Calls Answered / (Login Time – Idle Time)

E.g. Objective: at least 5

Example:
<table>
<thead>
<tr>
<th>Time</th>
<th>CallsAnsw</th>
<th>Login Time</th>
<th>Idle Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>9:00-1:00</td>
<td>20</td>
<td>3.75hr</td>
<td>0.5hr</td>
</tr>
</tbody>
</table>

True Calls per Hour = 20 / (3.75 – 0.5) = 6

Target Achieved!
TRUE CALLS PER HOUR EXAMPLE

Agent 1000
AHT = 10min
Answered 35 calls during their shift
Login time 6.75 hours
1 hour spent waiting for calls

True Calls per Hour = Calls Answered/(Login – Waiting Time)

TCH = 35 / (6.75 - 1) = 6.1 True Calls per Hour

Agent 1001
AHT = 10min
Answered 16 calls during their shift
Login time 3.6 hours
1 hour spent waiting for calls

TCH = 16 / (3.6 - 1) = 6.1 True Calls per Hour

The Moral of the Story:
Even though these two agents worked different shift lengths and answered a very different absolute number of calls, their productivity result was the same because their effort (AHT) was the same, proving TCH as a valid comparator.
### % AVAILABILITY EXAMPLE

<table>
<thead>
<tr>
<th>Agent 1000</th>
<th>Agent 1001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shift length 8 hours (480 min)</td>
<td>Shift length 4 hours (240 min)</td>
</tr>
<tr>
<td>Scheduled breaks: 60 min</td>
<td>Scheduled breaks: 15 min</td>
</tr>
<tr>
<td>Soft time: 15 min</td>
<td>Soft time: 10 min</td>
</tr>
<tr>
<td>Target Availability: 405 min</td>
<td>Target Availability: 215</td>
</tr>
<tr>
<td>Actual Login Time: 398 min</td>
<td>Actual Login Time: 220</td>
</tr>
</tbody>
</table>

\[
\text{% Availability} = \frac{\text{Actual Login Time}}{\text{Target Availability}} \times 100
\]

\[
\text{% Availability} = \frac{398}{405} \times 100 = 98\%
\]

\[
\text{% Availability} = \frac{220}{215} \times 100 = 102\%
\]
MEASURING QUALITY

Scorecard

<table>
<thead>
<tr>
<th>Score</th>
<th>Points &amp; Weighting</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ ☐ ☐ ☐ ☐</td>
<td>5 points x 0.20</td>
</tr>
</tbody>
</table>

- Poor
- Fair
- Good
- Excellent

Comments:

These comments can be subjective, since the caller’s assessment of the call will also be subjective. The comments allow the certified quality listener to give an overall “feel” of the call. Comments should focus on what the agent DID or DIDN’T do, directly related to contents of an established quality call document or guide, or what the customer did or said, and avoid using “should have” language.

Overall Score for call

Total: __ / 10

Quality Score for agents is an average of all the call results for the period.

When coaching, identify where the agent may be losing points, and note any trends that come up in the comments. Talk about these things in the coaching session.
How are your KPIs and metrics calculated?

<table>
<thead>
<tr>
<th>KPI/Metric</th>
<th>Calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>SL %</td>
<td>( \frac{\text{Calls Answered} \leq \text{threshold}}{\text{Calls Offered}} \times 100 )</td>
</tr>
</tbody>
</table>

---
STRATEGIC ➔ TACTICAL

Strategic Goals

Improved Affordability and Sustainability
Cost Management

Improved Customer Experience
Continuous Improvement
Quality Assurance

Improved Business Outcomes
Efficient Service Delivery
Training and Development
Workforce Management

Optimized use of Human Resources

Supporting Operational Processes

Key Indicators (Team & Mgmt)

Performance Metrics

Key Indicators (Individual)

Reports

Management Reports

Operational Key Performance Indicators per Line of Business

Agent Performance & Login/Logout Reports

Call Log Detail Reports

Quality
Abandoned %
Service Level
Cost per Call
Forecast & Staffing Accuracy
Average Speed of Answer
Schedule Adherence
% Login
True Calls per Hour
Quality Scores
% Availability
Average Handle Time
CORE COMPONENTS

- Performance Management
  - Strategy
  - Metrics
  - Measures
  - Objectives
- Supporting Processes
- Roles & Responsibilities
THANK YOU!

Symmetrics Contact Center Performance Management

Sources: mindtools.com  prosci.com  Centerserve: call-center.net  harrisonwebster  Advanced Performance Management Program  Management By Objectives principles