

2. **COLLECT DATA.** Today's contact center systems are important sources of planning data. But much of the information you need comes from beyond the contact center: what marketing is doing, how customer preferences are changing, competitive activity that may have an impact on workload, developments in the economy, and so on. We'll discuss this step in Chapter 5.

3. **FORECAST THE WORKLOAD.** A good forecast accurately predicts the number and nature of contacts and expected handling times for future time periods. Forecasts should encompass all channels—phone, email, chat, social media, video, text, and others. Your plans should also account for any related work that will require contact center resources. We'll discuss forecasting in Chapter 6.

4. **CALCULATE BASE STAFF.** Most contact centers use the formula Erlang C or variations of it to calculate staffing requirements. But capabilities such as skills-based routing and complex network environments present variables that may require computer simulation and modeling. We'll explore these issues in Chapter 7.

5. **CALCULATE SYSTEM RESOURCES.** Staffing and system resources are inextricably

linked and must be considered together. We will summarize this step in Chapter 7.

6. **CALCULATE SHRINKAGE.** Once you've estimated staffing requirements for customer workloads, you've also got to be realistic about other demands on time—breaks, training, work not directly part of handling customer interactions, absenteeism, and others. We'll take a look at this step in Chapter 8.

7. **ORGANIZE SCHEDULES.** Schedules are plans that specify who needs to be where and when. They should result in getting the right people in the right places at the right times. We will discuss scheduling in Chapter 8.

8. **CALCULATE COSTS.** This step projects costs for the resources required to meet service and quality objectives. We'll cover budget issues throughout Parts Two, Three and Four.

9. **REPEAT FOR HIGHER AND LOWER LEVELS OF SERVICE.** Preparing budgets around different levels of service provides an understanding of cost trade-offs, which is of great value in budgeting decisions. We will discuss this step in Chapter 10.

Without exception, the best-managed contact centers do a good job of resource planning and management. They have established processes that are collaborative and accurate. But of course, meeting service level objectives is just an enabler—a ticket to proceed. The real value comes from what you do with interactions once the connections are made.

**Doing the Right Things—Creating Value**

Doing the right things means creating value for your customers and organization. Contact centers have the potential to create value on three levels:

**LEVEL 1: EFFICIENCY.** Because contact centers combine or “pool” resources—people, information, and technology—they can deliver services that require the involvement of agents very efficiently. Effective forecasting, scheduling, and real-time management contribute to these inherent efficiencies. We'll look at these subjects in Parts Two and Three.

**LEVEL 2: CUSTOMER SATISFACTION AND LOYALTY.** Research reveals a powerful connection between high levels of customer satisfaction and business results—market share, word of mouth, profitability, and others. Customers can easily share experiences through ratings and (as we all know) social media—any interaction can impact the reputation of the organization and its products and services.

**LEVEL 3: STRATEGIC VALUE.** In the course of handling interactions, the contact center can become a powerful source of insight (from customers, agents, and operational data), enabling the broader organization to improve products, services, and the overall customer experience. This involves virtually every other functional area.

Some organizations have discovered the true strategic potential of their contact center, and others are just beginning this discovery process. Creating more value often requires you to rethink priorities, goals and objectives, metrics, job roles, processes, how you use technologies,

and other aspects of your approach. Most importantly, it involves working closely with the rest of the organization (see figure)—creating a great customer experience is a team sport! These subjects will be covered throughout Parts Four and Five.

### Will the Fundamentals Change?

The technologies powering today's always-on world, along with fast-evolving customer expectations, are dramatically changing the nature of how products and services are provided and supported. Many leaders are wondering where the trends and developments are taking us. Will the fundamentals of contact center management still apply?

Short answer: If you've established the right fundamentals, then yes! Let's say you want to interact with your customers through social media—Twitter, LinkedIn, Facebook, Instagram, or others. The same planning and management steps apply. You'll set service level objectives, forecast the work, establish schedules, develop quality criteria, and leverage what you learn from customer interactions to improve products and services.

How about communicating with customers face-to-face through video? This channel is becoming more common in customer service. And who knows, virtual reality may one day enable customers to "beam" themselves to a chair across the desk of one of your employees. So how will that change things? You'll need to look and dress the part for the image you want your organization to convey. But the management approach is the same. Forecast, schedule, establish quality processes, and continue to innovate and improve. You get the gist.

The essentials of getting the right people and supporting resources in place at the right times and doing the right things will never become obsolete. Tried and true principles of effective

contact center management will be as important as ever.

So, how is contact center management changing? An obvious answer is that there are new types of interactions all the time. Many of these interactions put multiple contact channels in play; for example, customers may initiate the service process through online search, use self-service, then move to a combination of phone, text, chat, or other channels that involve an agent. And as a rule, human interactions are becoming more complex as routine processes are automated or prevented altogether.

Today's contact centers handle work that is, in a very real sense, already escalated—the complex issues not immediately resolved through search, online resources, self-service capabilities, or other means.

Channels will continue to proliferate—but it's important to keep this trend in context.

Contact centers have handled multiple channels for years. The concept of omnichannel burst onto the scene as technologies and management practices began integrating channels and enabling them to work together seamlessly. The term is beginning to fade somewhat as the principles of omnichannel become widespread and assumed. But successful customer experience leaders remain focused on creating services that customers find intuitive and easy to use. This is a work in progress as new capabilities, such as AI-driven technologies, become a deeper part of the mix.

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### Skills and Knowledge Requirements



Leadership and management



Customer expectations and behavior



Cultural aptitude



Communication

- Queuing theory
  - Quantitative analysis
  - Workload forecasting
  - Staffing and scheduling
  - Managing variable workloads
  - Project management
  - Coaching and performance
  - Employee engagement
  - Technology basics
  - Organizational behavior
  - Ergonomics and workplace environment
  - Industry vocabulary
- \*\*\*

Another clear trend is that contact centers will become more deeply involved (along with other functional areas) in improving customer experience. Handling interactions will be just a start. Learning from those interactions and using that insight across the organization to improve products, services, processes, and customer experience—that's where significant opportunities to add value continue to emerge.

In short, the stakes are higher than ever. This is contact center management on fast forward. If you learn the underlying principles of effective contact center management, and know how to apply them, your skills and knowledge will be in high demand. You will be ready for the changes and challenges ahead.

From Backroom to Boardroom

To managers who successfully meet the challenges, the opportunities for advancement are significant. Contact center management—once in the category of “mystical arts” or a little-understood support function—has emerged as a thriving profession.

I encourage you to approach this opportunity as it is—a profession that is advancing rapidly. That means staying in tune with industry knowledge. It means making a commitment to personal growth and development. It requires developing a network of other professionals and resources that you can count on. In short, you have to invest the time and effort necessary to build the required skills and knowledge.

You may just be getting started in contact centers, or you may have years with them.

Whatever your background or level of experience, I hope that this book helps you make the most of the exciting opportunities ahead. Above all, I hope it helps you and your organization make meaningful connections with your customers. Thank you for coming along for the journey!

Chapter 2: The Blueprint—Your Customer Access Strategy

“If you don't know where you're going, you'll wind up someplace else.”

YOGI BERRA

It could be that you have just a few people in a small company handling interactions with customers. On the other hand, you might have thousands of employees working across multiple sites. In either case—or any point in-between—you need a plan to guide the direction and development of your contact center.

In contact center terminology, a strategic plan is known as a customer access strategy. In this chapter, we'll identify the customer expectations on which your strategy should be based. We'll then turn to what a customer access strategy is, identify the components that make up an effective strategy, and look at some of the creative ways organizations are engaging with their customers.

But before we explore those topics, let's answer the most basic question: What is a contact center?

What Is a Contact Center?

A prerequisite to developing an effective strategy is to decide that you need a contact center—or perhaps acknowledge that you already have one! Let's review what a contact center is and does, and identify characteristics that define all contact centers.

ICMI defines contact center as: "a coordinated system of people, processes, technologies and strategies that provides access to information, resources and expertise, through appropriate channels of communication, enabling interactions that create value for the customer and organization." Okay, there's a bit to this definition. But there's also a bit (actually a lot) to contact centers—much more than casual observers may know.

It's often easier to explain what a contact center does than to define it. And great examples are everywhere.

Consider healthcare. In recent years, many hospital systems have launched contact centers. In their simplest form, they help patients reach the right department, doctor's office, or patient room. However, the more advanced centers—the kind I'm referring to here—provide a wide range of services, including medical advice lines, billing and insurance issues, physician referrals, even information and registration on wellness classes. All through this one resource.

It's often easier to explain what a contact center does than to define it. And great examples are everywhere.

You can imagine the rationale these management teams think through before launch:

Customers (patients) have thousands of questions a day. They contact different departments looking for answers, often reaching the wrong places. The employees in those areas don't have the time, training, or know-how to handle many of the misdirected inquiries that they get. In many cases, those handling contacts aren't sure where to send patients for the information they need, so they transfer them to other units or back to a main switchboard. This dance wastes countless hours and frustrates everyone, employees and customers alike.

Then someone begins to ponder. "What if we had a better way to handle all of these issues? We could train qualified professionals and give them access to the information they need. We'll hire nurses to address medical-related questions. And we'll put in a system for documenting contacts and logging critical data. We'll develop quality processes for coordinating with the rest of the institution and safeguarding information." One day ... voilà, a contact center is born!

This whole sequence of events—beginning with someone envisioning a better way to serve customers—has played itself out many times in recent decades. All of today's best contact centers started as an idea. Today, contact centers are part of every vertical sector of the economy, including commercial, government, and nonprofit. They can be found in organizations of all types, small and large.

This discovery process can also happen within organizations that already have contact centers. For example, the marketing department may respond to customer service issues that show up in social media channels. But keeping up becomes increasingly difficult, and a constant distraction from other work. Service to customers becomes hit-or-miss. The wise among them get together with their colleagues in customer service and come up with a plan to enfold these

interactions into the contact center. They'll let go of the work but establish good cross-functional collaboration with the contact center to ensure customers are being served well.

#### Characteristics of Contact Centers

All contact centers, small or large, share some basic characteristics. These include:



Interactions are handled by a group of employees, not a specific person. (In other words, customers reach out to a service, not an individual.)



Agents are cross-trained to handle a variety of contact types.



Customer contacts are distributed based on agent availability and/or specific skills required.



Agents have access to information on the organization's products, services, policies, and any other resources needed.



Agents are empowered to make decisions and take actions for customers.



Systems track information on the quantity and nature of contacts handled, service levels, customer information, and other aspects of service delivery. This data can be used for planning, as well as product and service improvements.

Even today, there are some people managing contact centers who don't know they are ... well, managing a contact center. It's a bit chaotic. Okay, very chaotic. But they and their teams do their best to manage variable workloads and meet customer needs.

One fortunate day, they'll run across a blog or be talking with a colleague. They will discover that contact center management is a profession. They may do some further digging and discover a bunch of resources that can help. They will find articles, conferences, and other professionals who also manage contact centers. They will realize—with great relief and excitement—they are not alone! If this describes you, and you've only recently discovered contact center management—welcome!

#### What Should You Call Your Contact Center? Your Employees?

While the term “call center” is still commonly used outside the industry and in mainstream publications, it has largely fallen out of favor with those in the profession. As organizations continue to transition centers once dominated by calls and email into omnichannel operations incorporating chat, text, video, social media, and other types of contacts, many feel that “contact center” (spelled “contact centre” in much of the English-speaking world) just makes more sense. And that is the term I use throughout this book. But you'll find other variants, including:



Customer care



Support center



Resource center



Customer service center



Customer experience team



Sales and support



Technical support



Help desk



Information line



And others

There are also terms specific to some industries, such as reservations center (travel), hotline (emergency services), and trading desk (financial services). And some organizations create their own terms, like the “Customer Loyalty Team” for online retailer Zappos, or “AppleCare” for the computer company.

Similarly, there are many terms for contact center employees: agents, customer service representatives (CSRs), customer care representatives, associates, consultants, engineers, and others. Some organizations refer to their contact center employees as customer advocates. (I like it!)

My advice is to use terms that fit your organization’s personality. How you refer to your operation and employees can make a difference. These labels become part of your team’s brand—they influence how colleagues and customers see you. So go for something inspirational!

Customer Expectations

Contact centers are all about enabling organizations to meet customer expectations—to be there when needed and with the services needed. But wait ... aren’t expectations always changing?

Yes and no. Customer demands are constantly evolving because improvements in service reset their expectations at new levels. While customers initially appreciate good service, they quickly get used to and expect it. Additionally, the experiences customers have with any organization—not just yours or your competitors’—help shape their perceptions. So, organizations that are driving service innovations are upping the ante for all others.

The good news is, zeroing in on customer expectations is not the hit-or-miss proposition it may appear to be. ICMI has researched this issue for nearly three decades and has found ten customer expectations that consistently emerge.

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Ten Key Customer Expectations

(no specific order)

1. Be accessible
2. Treat me courteously
3. Be responsive to what I need and want
4. Do what needs to be done promptly
5. Provide well-trained and informed employees
6. Tell me what to expect
7. Meet your commitments and keep your promises
8. Do it right the first time
9. Follow up

10. Be socially responsible and ethical

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The key is to keep tabs of what these expectations mean to customers. For example, there was a time when being accessible simply meant having a call center, a toll-free number, and reasonably well-trained agents. Today, there are many access alternatives, and customers expect to reach you easily and intuitively (they don’t want to think about channels). Customers expect service that is easy to use and consistent across all touchpoints.

While courtesy used to refer primarily to the way agents interact with customers, the definition today is much more ingrained in systems and processes. Don’t make customers repeat the same information or reexplain the background of an existing service issue. Don’t transfer

them around or place them on hold for too long. And put your contact information where customers can easily find it. Sure, it's as important as ever that your agents are courteous—but there's a lot more to it.

Definitions of responsiveness and promptness are also evolving. As one example, email response times have gotten far better in recent years—from several days to a matter of hours in many organizations (see Chapter 4). In fact, some organizations are staffing for email like they do calls or chat and handling them as they arrive. Similarly, more organizations all the time are handling time-sensitive social media interactions as they occur.

Another customer expectation is that the organization will staff the contact center with well-trained and knowledgeable agents. As a rule, contact centers are handling more complex issues, through more channels and from customers that come from increasingly diverse backgrounds. Robust self-service capabilities are handling a deeper range of issues, leaving your employees with the most complex interactions. Successful contact centers are rethinking and upgrading recruiting and hiring practices, the training they provide to agents and managers, and the tools and processes they put in place.

Tell me what to expect. Meet your commitments and keep your promises. Do it right the first time. Follow up. These expectations are interrelated and require that people, processes, and technologies work together. The promises your organization or employees make must also be backed up by other departments. Customers live by the mantra “trust but verify”—they'll trust your organization if you hold up your end of the bargain.

Be socially responsible and ethical. Lapses, or even perceived lapses, in ethics or social responsibility quickly make the rounds with customers and your own employees. Ethics and responsibility are the concern of the entire organization, but as a hub of communication, the contact center is inherently involved.

In short, anticipating customer expectations is essential to developing effective services. In fact, customer expectations ultimately define what good service means. Truly understanding your customers can help you stand out in an environment that evolves every day.

So, how do you ensure customer expectations are built into your plans and direction? Let me make some recommendations:



First, make sure that your team thoroughly understands these ten basic customer expectations. Post them prominently. And make a habit of considering them when making decisions. (I recently visited a client that showed me how they had prominently posted them in their conference room—bravo!)



Build cross-functional teams to ensure a common focus on customer experience. The contact center cannot single-handedly meet expectations—it takes systems, processes and focus spanning all functional areas.



Don't guess at how you're doing. Track customer perceptions through social media channels, during interactions with agents, and through surveys that provide input on how well you're living up to their expectations.



That said, remember the late Steve Jobs' advice: customers don't usually know what they want until you show it to them. If you want to differentiate through service, don't just copy industry “best practices”—be bold and create services that are appropriate for your organization and brand.



Finally, ensure that customer expectations form the context in which you develop your customer access strategy—the topic we'll turn to next.

## Shaping Your Strategy

At some point in developing customer services, the need for an overall plan becomes very obvious. So many decisions—do you add this channel, do you support that service, and many others—are interrelated.

You need an effective strategy. Otherwise, you'll be winging it—and wasting lots of time and resources.

## Vision

I recommend beginning with your vision—where do you want to go? A customer service vision helps define the type of service you want your organization to deliver.

A common mistake I see, and one you'll want to avoid, is coming up with an overly-generalized vision or mission. For example, “we put customers first,” or “we deliver world-class service” are so generic and uninspiring that they really don't help much in guiding decisions.

Vision can be represented as a vision statement, a mission statement, a set of values, or some overarching principles or standards. I love outdoor equipment and services retailer REI's mission, which also serves as its customer service vision: “We inspire, educate and outfit for a lifetime of outdoor adventure and stewardship.” What great direction this short statement provides, even to the newest employees!

USAA, the highly-rated insurance and financial company, operates around four core values (which are really just four words): Service. Loyalty. Honesty. Integrity. Together, they are simple, clear, and inspiring. And they pack a punch because at USAA they discuss and include them in decisions every day. That makes a real difference.

If your organization has a vision that is too generic or that doesn't help guide those delivering service, you may want to create one that's specific to your contact center. Just make sure it's complementary, cautions consultant Todd Gladden, part of an ICMI team that advises organizations on their strategies. “Have a ‘line of sight’ linkage between the contact center's vision and strategy and how they support the overall vision and strategy of the company. The tie-in should be clear—and will prevent conflicting agendas as tactics are implemented.”

My advice for you and your team, when creating your vision (and I'll borrow from the popular refrain): go big or go home. Come up with something that both inspires and recognizes the enormous potential of your organization and contact center.

## Components of a Customer Access Strategy

A customer access strategy is “a framework—a set of standards, guidelines and processes—describing the means by which customers and the organization can interact and are enabled to access the information, services and expertise needed.” It is the overall plan—the blueprint—that guides the development of your contact center.

A customer access strategy is a framework—a set of standards, guidelines, and processes—describing the means by which customers and the organization can interact and are enabled to access the information, services and expertise needed.

As with an organization's overall strategy, a customer access strategy can take many different forms. But effective plans cover, in one way or another, these essential components.

**CUSTOMERS:** This part of your strategy should summarize how customers are segmented (e.g., by geography, volume of business, level of service purchased, unique requirements, or other characteristics) so that you can shape specific services that are just right. Customer segmentation typically comes from the organization's marketing strategy. However, given the operational requirements of serving different customers appropriately, I've noticed that contact center managers are increasingly involved in this effort.

**CONTACT TYPES:** This step identifies the major types of interactions that will occur (e.g., inquiries, orders, support). Think through how each type of interaction could improve customer loyalty and build value. For example, some you'll work to eliminate (through improved products and services), some you'll want to automate through self-service, and some will best be served with the involvement of an agent.



**ACCESS ALTERNATIVES:** This step—where strategy really begins to hit home for contact centers—identifies all of the possible communication channels (phone, chat, email, social media, text, video, face-to-face, self-service, customer communities ... the lot) along with corresponding telephone numbers, web addresses, email addresses, social media usernames, IVR menus, physical addresses, etc. Where more than one channel is involved in an interaction (say, when a customer begins in an app and has a conversation with an agent) define as many possible combinations as you can.

**HOURS OF OPERATION:** This part of your strategy defines appropriate hours of operation. These can vary for different contact channels or types of interactions. Generally, self-service applications will always be available. Some agent-assisted services may be available 24/7, while others may have more limited hours. For example, customers can report emergencies such as downed power lines to their utility any time of day or night, with general customer service (billing inquiries, etc.) available during the day.

**SERVICE LEVEL AND RESPONSE TIME OBJECTIVES:** This step summarizes the

organization's service level and response time objectives (see Chapter 4). Different objectives may be appropriate for different types of interactions, contact channels, and customer segments.

**ROUTING METHODOLOGY:** This part of the plan covers how—by customer, type of interaction and access channel—each contact is going to be routed and distributed. While these terms have inbound connotations, this also applies to outbound; for example, when the organization originates the contact, through which agent group will the contact be made?

**PEOPLE/TECHNOLOGY RESOURCES REQUIRED:** This step transitions from “getting the contact to the right place at the right time” to “doing the right things.” Which agents or systems will be required for each customer segment and contact type?

**INFORMATION REQUIRED:** What information on customers, products, services, and policies will need to be accessible to agents and customers? What information should be captured during interactions? How will the organization meet applicable privacy or reporting requirements?

**ANALYSIS/IMPROVEMENT:** This step defines how the information captured or created during contacts will be used to better understand customers and to improve products, services, and processes. You may also want to summarize major performance objectives and how the contact center's value and contributions will be measured (see Chapter 12).

**GUIDELINES FOR DEPLOYING NEW SERVICES:** Finally, your plan should outline a framework for deploying new services, including technology architecture (corporate standards and technology migration plans) and investment guidelines (priorities for operational and capital expenditures). This step should also describe who will keep the customer access strategy current as services evolve: who has overall responsibility, how often the plan will be updated, and who has ownership of individual components.

**What Does a Customer Access Strategy Look Like?**

Customer access strategies are like business plans in that some are well-documented and others exist only in pieces and in the heads of various managers. Too often, the latter is the case. But there are standout examples of plans that are effective and up-to-date.

A mobile phone company that I have worked with has a well-organized customer access strategy, which lives on the organization's private intranet. It consists of a cleanly designed home page, the centerpiece, which provides links to each of the individual components. The links access files (databases, documents, etc.) that make up the different parts of their plan, such as customer segments, access numbers and addresses, routing diagrams, agent groups, hours of operation, service level objectives (and so forth). There are also links within these areas that allow you to logically move to others—but the home page will always get you back to the main directory.

The most impressive aspect of the plan is that it lists who is responsible for keeping the overall plan current, and the individuals who have ownership over various components, including marketing (customer segments) and IT/telecom (routing schematics). Each document

has an “updated on \_\_\_\_” date notation. The plan is current, and they don’t make major decisions without referring to it.

#### Questions Your Customer Access Strategy Will Answer

Your customer access strategy will be a guide that you can use to answer many important questions. For example:

■ How should your contact center be organized (e.g., how agent groups should be structured)?

■ If you add or improve integration of an access channel, what is the impact on other components and resources?

■ What kinds of skills and knowledge will your agents, supervisors and managers need? How should your hiring and training practices support these requirements?

■ What system capabilities best support your strategy? Do you have what you need in-house or will you need to build, buy, or contract for required technologies?

■ What kind of processes best support your plans? Where should they be refined or restructured?

■ Is it feasible or advisable to outsource some or all of your contact center services? (If so, the customer access strategy is still the responsibility of the client organization.) What capabilities must the outsourcer have to support your requirements?

■ Can contact center strategy help shape the organization’s strategy (e.g., by helping to differentiate the organization’s services)? Are the organization’s overall strategy, contact center strategy, and the realities of budgets and resources in alignment?

With new ways to communicate and connect emerging by the day, the sky is the limit! As you make decisions, keep your customers’ needs and perspectives front and center. Customers don’t think of contact channels or departments. You don’t hear a customer say, “I’m going to contact XYZ’s contact center.” They say, “I’m going to contact XYZ.” To them, the contact center is the company. The best managed organizations know this, and they cultivate strategies that enable their brands to shine through.

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#### "Playbook" at the University of California

Does a customer access strategy sound like something that would be nice to have? Actually, it’s vital. Just ask anyone who is part of the University of California’s Retirement Administration Service Center (UC RASC).

The University of California is the world’s leading public research university system, with ten campuses, five medical centers, three national labs and a network of researchers and educators. The RASC provides retirement administration services for

professors, administrators and others who are part of the university’s retirement plan—more than 130,000 active members as well as thousands more who are inactive vested members or retiree health enrollees.

Ellen Lorenz, Director of UC RASC, shares, “The more we worked on our customer access strategy, the more excited we got about it. It has become a tool that all of us within the RASC use and reference. It gives the team a strategic view of what we do what we do—a view that doesn’t get lost in day-to-day activities.” Many RASC employees provided input into shaping the customer access strategy, which the team now refers to as the “Playbook.”

The Playbook has brought many benefits: better focus on priorities; teams that are increasingly self-directed; and projects that come in on time and within budget. It even helps RASC employees envision and develop their careers.

And the most exciting benefit? The University of California uses the RASC as an enticement to attract some of the best professors, doctors, researchers and specialized talent available in the global market. “Our customer access strategy has helped our contact center become a strategic asset,” says Lorenz.

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### Make It Yours!

What access channels should be opened up? What's the nature of service you intend to provide? Beyond applying the sound management principles we'll be looking at throughout the book, these decisions are yours to make. My overarching advice: Make your customer access strategy uniquely yours—do what's best for your customers and your organization.

Here are some examples of how customer access strategies are playing out:



London-based Barclays bank offers video banking, allowing customers to chat face-to-face with a representative from their smart phone or tablet. The service is available 24/7, and offers support on a wide range of services.



1-800-Flowers (1800flowers.com) is the company name, phone number, primary URL, and (you guessed it) address for Twitter, Facebook, and other channels.



Discover Card enables customers to reach agents through in-app messaging, among other channels. Unlike conventional chat, which requires customers to stay connected until a problem is resolved, customers can respond to agents when they choose without having to start over on an issue.



Dyson puts its toll-free number and website address right on its vacuum cleaner handles—clearly visible to anyone who uses the appliance.



Intuit's Accounting Professional Division developed a vibrant customer community, easily accessible directly through their accounting software programs; users help each other with most questions, and contact center agents have become facilitators and problems solvers for issues requiring the company's involvement.



The National Cancer Institute in the U.S. uses Facebook Live Events to reach out to patients and their families with information and support.



Square, Dell, and many other companies that provide involved technical support have embraced co-browse capabilities, which have boosted quality and customer satisfaction, while reducing handling times.



Gucci, the luxury retailer based in Florence, Italy, is opening six contact centers in sites that include Florence, Shanghai, New York, and other regions, to (in the words of CEO Marco Bizzarri) give customers “a direct connection to the Gucci community that is seamless, always accessible, personalized experience.”

You get the idea here—these are just some of many examples I could cite of strategies that came about thoughtfully. Observe the organizations you most enjoy doing business with, and you'll notice the best deliver services in ways that meet customer needs while complementing their own brands and cultures.

Given the many ways to interact, a smart practice is to create an easy-to-find online listing of access alternatives. Do a search on “how to contact [Schwab, KLM, Apple]” and you'll see good examples of the primary ways to reach the organization. From landing pages that list contact alternatives, some organizations provide templates for entering product numbers, serial numbers or customer information that leads to more accurate routing and customized services.

Studies show that when problems get serious, customers (yes, of all generations) overwhelmingly want to interact with a human. Companies that make their contact information hard to find (usually in an attempt to minimize costs) are asking for trouble. A search will

usually pull up other sources—blogs, customer communities, and sites such as GetHuman.com—that provide tips for reaching the organization. These can include contact numbers, advice on navigating difficult menus or (when the company is perceived to be purposely hard to reach) direct contact numbers for executives or administrative offices.

Here's a final recommendation: Be sure to provide an acceptable basic level of service (through good resource planning, a topic of later chapters) across all of your access channels. The best plans go awry when customers get frustrated and begin intentionally selecting the wrong menu choices or using access alternatives for other services, just to reach a person. Clearly, developing an effective customer access strategy is not something you throw together during an afternoon team brainstorm (though that can certainly give the creative part a push!). It takes leadership, persistence, and participation from across the organization. But the payoffs are huge. From a customer's perspective, a good strategy will result in simplified access, more consistent services, and a high degree of convenience. From the organization's perspective, the benefits translate into better decisions, services that are more effective and efficient, and a dependable framework to guide developments.

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#### Points to Remember

- All contact centers share basic characteristics—for example, interactions are handled by a group of employees rather than a specific person, agents are cross-trained to handle different contact types, and they are empowered to take actions for customers.
- Customer expectations are constantly evolving because the experiences they have with any organization—not just yours or others in your sector—help shape their perceptions.
- Ten basic customer expectations consistently emerge from customer feedback and surveys. Defining what these expectations mean and building a customer access strategy around them is an important and ongoing responsibility.
- A customer access strategy is an overall plan that guides contact center developments and decisions. Your strategy should be appropriate for your customers and should reflect your organization's unique brand and personality.

#### Chapter 3: Three Driving Forces in Contact Centers

"Contacts bunch up!"

GORDON F. MACPHERSON, JR.

Newcomers to contact centers are often surprised at how different they are compared with other departments or types of "office" work.

"The workload is volatile."

"Timing is so critical."

"Things change so quickly!"

Those who have never been in a contact center and see this dynamic for the first time—calls entering the queue, the back-and-forth of chat, social media messages lighting up screens, et al.—are often astounded at how fast-moving the environment is.

Yep, the workload does change from moment to moment. And when customers don't know how long the queue (their wait time) is, they become impatient much more quickly than in settings where they can see what's going on.

The vast majority of contact centers handle primarily "inbound" contacts—those initiated by customers. There are three major driving forces at work in any center that handles inbound workload:

1. Workload arrival—random, smooth, or peaked?
2. The queue—visible or invisible?
3. The seven factors of customer tolerance

These driving forces help explain why the contact center environment is unique.

Understanding them is necessary for making good decisions on everything from staffing and

scheduling requirements to establishing the right performance objectives.

Workload Arrival—Random, Smooth, or Peaked?

The first driving force in contact centers is how workload arrives. If you've spent more than just a few minutes in a contact center, you've probably already discovered a dominant reality: contacts come in as they please. They certainly do not arrive in anything resembling an even, orderly flow.

#### Random Arrival

Customer contacts arrive randomly in most contact centers most of the time. Take a look at a monitor or a readerboard (display mounted on a wall or the ceiling, showing information on the queue). Watch the dynamics. In comes a contact. Then one, two more ... there's another. And two, three, four more ... Exactly when contacts arrive from moment to moment is the result of decisions made by customers who are motivated by myriad individual needs and conditions. Put another way, contacts bunch up!

The figure illustrates two possible scenarios of how 50 customer contacts might arrive. The input for the chart came from a statistical table of random numbers.

However, there is an important distinction between random contact arrival and predictable arrival patterns. Virtually all contact centers—even those of the more volatile type, such as emergency services—have distinctive patterns in customer contacts, which are usually detectable down to at least the half-hour timeframe. You can predict that you will get around 250 contacts next Tuesday between 11 a.m. and 11:30 a.m. What you can't predict with any precision is how many of those contacts are going to arrive at 11:01, 11:02, 11:03, and so forth.

Consider another example. If you manage an ice cream stand, you can (with some analysis and practice) predict the number of customers and sales based on month of year, day of week, and time of day. Saturday afternoons during warm months will be busy, but traffic will be light on mid-week autumn mornings. You can also predict the volume before and after promotions or

events such as baseball games. But you wouldn't be able to predict the minute-by-minute arrival of customers.

There are several important implications to random workload arrival. First, staffing must be calculated by using either a queuing formula that takes random arrival into account or a computer simulation program that accurately models this phenomenon (see Chapter 7). Other approaches almost always lead to inaccurate staffing calculations. And unfortunately, it's not just staffing that will be off. Because staffing affects the "load" your network and systems must carry, inaccurate staff predictions also lead to miscalculations of these other resources.

Second, centers that handle inbound contacts operate in a "demand-chasing" environment. At any given time, there are either more contacts than staff to handle them or more staff than contacts to be handled. That means contact centers must pair good forecasting and staffing plans with effective real-time management (Chapter 11). You don't want to overreact to normal ebb and flow in workload—but you need to be able to respond quickly if a serious resource mismatch is developing.

Third, performance objectives and standards must take random workload arrival into account. For example, a goal of producing "N widgets per day" makes no sense in an environment where the workload arrives randomly (see Chapter 14). Unless the queue is always backed up and service is lousy, your agents will spend a portion of their day waiting for contacts to arrive.

#### Smooth and Peaked Traffic

In addition to random or "normal" traffic, there are two other general types of workload: "smooth" and "peaked." Traffic engineers have assigned statistical "variance-to-mean" ratios to designate each type of traffic, but essentially, the patterns for each look like those in the figure, Three Types of Workload Arrival.

Smooth traffic is virtually nonexistent in centers handling incoming contacts, but it can apply in outbound environments. For example, a group of people may be assigned to make outbound

calls (e.g., for surveys, sales initiatives, non-profit donations), one after another, for the duration of their shift. In that case, staffing requirements can be based on a units-of-output approach common in many manufacturing and service settings.

Another type of contact arrival—peaked traffic—is a reality in some centers. Many of us use the term “peak” in a general sense when referring to contact center workload: What’s your peak time of year? Peak day of the week? Peak time of day? But the term “peaked traffic” specifically refers to a surge of traffic beyond random variation. It is a spike within a short period of time. Television and radio ads often generate peaked traffic. For example, QVC (part of Qurate Retail Group) gets a surge of contacts when new products are advertised on its home-shopping channel. Disaster relief and humanitarian organizations, such as the Red Cross and World Vision, get peaked traffic when their ads are aired, as do mobile phone providers when they send text messages to a large portion of their subscribers. Even email promotions sent in batches can generate an initial surge of contacts (as well as contacts that will arrive in subsequent hours and days). The (typically) large centers that handle peaked traffic can go from receiving zero to hundreds of contacts per minute, almost instantly. (Seeing this dynamic will immediately boost your heart rate!)

It’s important to distinguish between random and peaked traffic. When retailers send out thousands of new catalogs by mail, they begin getting contacts (calls, chat, etc.) associated with the promotion. But that’s not peaked workload arrival. It’s random arrival, just at a much higher level than usual. Similarly, a utility that has a power outage will receive a lot of contacts until the problem is fixed. But other than the few minutes following the outage (which is a time of peaked traffic) those contacts will arrive randomly, although at a level much higher than usual. The key point to consider: if a surge of contacts lasts longer than 30 minutes, for staffing purposes it’s considered random workload arrival.

#### Randomly Arriving Peaked Traffic

Some centers experience workload arrival that is a hybrid between random and peaked traffic. Emergency service centers often get a surge of calls reporting the same traffic accident. A topic that trends in social media can quickly generate contacts. And in an unusual example, I was facilitating a seminar for a financial company one afternoon when their calls went through the roof—as it turns out, talk show host Oprah Winfrey had just interviewed a guest who encouraged viewers to negotiate interest rates with their credit card companies. These are examples of peaked traffic that show up without notice (as opposed to the kind you can predict, such as when you run a TV ad).

Here’s the thing to remember: the distinction between random and peaked traffic is important. To correctly calculate staffing needs (covered in Chapter 7), you need to know what type of traffic you’re going to get. Traffic arrival type also helps dictate the real-time management methods you deploy (see Chapter 11).

#### Establishing the Right Reporting Interval

Given variations in the workload throughout the year, month, and day, contact center forecasts must be based on specific increments—not daily averages. Increments, also called intervals, are the smallest units of time reflected in reports and used for resource planning.

Typical reporting increments include:

**30 MINUTES.** Thirty-minute increments are common because they provide an adequate level of detail and accuracy for many centers without burying them in unnecessary detail.

**15 MINUTES.** Large contact centers (e.g., those exceeding 100 agents in an agent group) pick up additional accuracy by planning around 15-minute increments.

**60 MINUTES.** Contact centers that handle long calls (e.g., when the average length of interactions exceeds 20 minutes) can establish report increments and staff calculations around hour increments.

**10 MINUTES OR LESS.** Peaked traffic—the kind you can anticipate and manage, such as a television ad—requires reports and staffing calculations at 5- or 10-minute increments.

The principle here is to forecast and plan down to the smallest increment within which you

can no longer detect patterns. For many, that is 30 minutes and that's the increment I recommend for most contact centers. If you're a large contact center (e.g., into the hundreds of agents), you'll pick up needed accuracy with 15-minute intervals. If you're small (a dozen or fewer agents) or have long calls with average handling times that exceed 20 minutes, hour increments often work best.

#### Building Understanding

It's important that others across your organization understand the nature of random workload arrival. And nothing helps more than seeing it firsthand.

As customers, we've all experienced the fragile balance between resources and demand—expressways that ebb and flow, airports that struggle to stay on schedule as bad weather moves through, the immediate and pleasant impact on lines when a busy supermarket opens more checkout registers. But seeing this dynamic in a contact center is an eye-opening experience! Usually, colleagues from other areas will quickly grasp the importance of good cross-functional communication, keeping systems humming, and ensuring that the contact center has the staff and support it needs. More importantly, a deeper appreciation of randomly arriving workloads begins to take hold. This is not an assembly line or a stack of documents to process. You cannot slow it down or speed it up. You've got to be there as the workload arrives! (See the discussion, *The Power of One*, Chapter 9).

#### The Queue—Visible or Invisible?

The second driving force in contact centers is the queue—is it visible or invisible to customers? Queue comes from the word cue, a term from Old French that means “line of waiting people.” The term is common in everyday British English (less so in North America, where “line” is typical) and appears frequently in contact center terminology. (Frustrated customers still

tend to say “I’m on hold” rather than the more-precise “I’m in queue.”)

Yep, queues are a fact of life in contact centers. After all, handling every contact at once is about as practical as it would be for airlines to check in every passenger’s luggage at the same time. But an important difference between a contact center and the lines at an airline counter, grocery store or sports arena is that customers usually can’t see how long the queue is and the progress they are making.

The top row of faces in the figure reflects a queue that customers can see. The first face represents how people feel as they enter the queue. As they move forward, the subsequent faces illustrate their progress. The final face reflects the fact that they “made it”—they are at the front of the line, hearing the sweet words, “How may I help you?”

The second row of faces represents a setting where customers are unaware of the length of the queue they are entering. Ignorance is bliss, and expectations are initially high. But after some amount of waiting, often 15 or 20 seconds, they begin to doubt that they are going to get right through (second face). The third face illustrates the transition from doubt to mild frustration. By now, they have heard the first and maybe second delay announcement and they know they are in a queue.

The fourth face represents customers who, from their perspective, have waited too long.

Often, the first thing they do when they reach an agent is tell him or her about the miserable experience they just had. That’s a bad situation because it lengthens handling time, which will back up the queue even more and cause even more customers to complain to agents—a downward spiral.

And there’s another phenomenon that kicks in here. Customers who have waited a long time in queue tend to “dig in their heels” as they attempt to squeeze all the value out of the interaction that they can: “Um, I’d better go over a few other things while I have you.”

#### Visible Queue

There’s a fascinating history of organizations that pioneered ways to make wait times known to customers. Software company WordPerfect (now part of Corel Corporation) created the first “visible queue” (or more literally, “audible queue”) in the mid-1980s. They set up their system to

enable live “queue jockeys” to make announcements of expected hold times to callers. They could also play music and deliver announcements to keep callers entertained and informed while they waited:

Thank you for calling WordPerfect. If you’re calling for assistance with Version 2, there are nine of you in queue, and if you just joined us, it looks like the wait is just over three minutes. If you are calling for Version 3, there are 18 callers in queue. But we’ve got a few more support reps there this morning, and it looks like your wait will be about two minutes. Now, here’s Kenny G from his latest album...

WordPerfect discovered that customers who abandon a visible queue do so at the beginning. Those who decide to wait generally do so until they reach an agent.

Many contact center managers keep a diligent eye on how many customers abandon (give up on a call, chat, or other type of contact). But when customers abandon is also an important consideration. If they are abandoning early on because they are making an informed choice, that’s much different than waiting for what seems like a long time in an invisible queue before abandoning in frustration.

What the queue jockey never said, but what was implicit in the message, was something like: Thanks for calling. If you’re going to abandon, would you kindly do so now, before you get frustrated, drive up our costs and clog up the queue only to abandon anyway?

Other software companies, including archrival Microsoft, soon followed WordPerfect’s lead. The feedback from customers was overwhelmingly positive. But having real-time, live queue jockeys proved impractical for most organizations. So, automatic call distributors (ACDs) that could “tell time” began to appear in the early 1990s. With this technology, the system can analyze real-time variables, make predictions, and announce expected wait times to customers as they arrive. Today’s virtual queue capabilities go a step further, giving customers the option to hang up and receive a callback when an agent becomes available, without losing their place in queue—see discussion, *Can You Eliminate The Wait for Customers?*

Estimated wait times are a great feature, but there’s a catch. These systems provide fairly accurate predictions in reasonably straightforward environments, especially for large agent groups. However, if you are using any form of priority or skills-based routing, the system can outsmart itself. Some customers have found themselves actually moving backward in queue as “priority” calls arrive and are moved to the front of the queue. (You have to be very careful about how you set up routing, a subject we’ll cover in Chapter 7.) This is a challenge that system designers have yet to fully conquer.

Given the choice, customers want to know what’s happening, and they want alternatives

(e.g., to continue to wait or receive a callback without losing their place in queue). Even more, of course, they want short or no waits. And if there is much of a queue, customers increasingly expect contact centers to announce or display wait times.

#### The Seven Factors Affecting Customer Tolerance

The third driving force in contact centers is customer tolerance. There are seven factors that affect tolerance. They influence how long customers will wait in queue, how many will abandon, whether they will try alternative channels, and how they feel about the overall experience (based on the expectations they had). They include:

1. **DEGREE OF MOTIVATION.** How important is the interaction to customers? What are the consequences to them of not getting through? How badly do they need the product or service? For example, customers experiencing a power outage will usually wait longer to reach their utility than those with billing questions.
2. **AVAILABILITY OF SUBSTITUTES.** Even though they are highly motivated to initiate a contact, customers who encounter difficulties may abandon if they know of another way to get help. Self-service, communities found online, or even physically going to a retail location are examples of substitutes. If customers are highly motivated and have no acceptable alternatives, they will generally wait a long time in queue (and will retry if they get busy signals). Even though they do not abandon, they still might be very unhappy about the experience.



3. **COMPETITION'S SERVICE LEVEL.** If it's easier for customers to use competitive services and if they have a tough time reaching you, they may go elsewhere. (You'll need to consider whether competition is available in a practical sense. For example, if you are a bank and a customer has a problem with an online payment, a competitive bank is not going to be able to help—although if the problem is difficult to get resolved, the customer may decide to take their future business elsewhere.) It's also important to consider that a contact center is often its own competition—customers may choose incorrect routing selections in the IVR or simultaneously try other channels just to reach an agent...any agent...more quickly. This leads to transferred contacts, inaccurate reports, longer handling times and other problems.

4. **LEVEL OF EXPECTATIONS.** The experiences customers have had with the contact center and the reputation that the organization has for service have a direct impact on tolerance. A 10-minute wait for tax help during filing season may be perceived as good service—but a similar wait for a shipping company that has a reputation for speedy service would be an unpleasant surprise. And, as discussed in Chapter 2, the services that customers receive from any organization, including those in other industries, have a bearing on their expectations.

5. **TIME AVAILABLE.** How much time do customers have when they initiate a contact? Doctors who contact insurance providers have a well-deserved reputation for not tolerating even a modest wait, while retirees contacting the same companies may have more time or inclination to talk. Further, the widespread use of smartphones has created many small windows of time your customers have to reach you, such as before boarding a flight or in between meetings, when long waits are unworkable and frustrating.

6. **WHO'S PAYING FOR THE CONTACT?** Customers are usually more tolerant when they are not paying to contact an organization. Most organizations offer toll-free service. In the rare cases they don't, a large percentage of customers will likely have calling plans that provide nationwide calling. But there's a rub: If a customer's plan is based on blocks of minutes, they can get understandably upset if the time they purchased is wasted in queue. (Virtual queue capabilities can help in this case—see discussion, Can You Eliminate the Wait for Customers?)

7. **HUMAN BEHAVIOR.** The weather, the customer's mood, and the day's news all have some bearing on customer tolerance.

These seven factors are not static. They are constantly changing. Even so, it's important to have a general understanding of the factors affecting your customers' tolerance. Important questions to consider include:



How motivated are your customers?



What are their expectations?



How do their expectations vary based on the reason for the contact?



What alternatives to contacting you do they have?



Which alternatives would you want/not want them to use?



Will they already have spent time seeking help (e.g., search or self-service)?



What level of service are others in the industry providing?



How do customers tend to rate your service at different service levels?



What is your customers' tendency to share experiences, good or bad?



What level of service best reflects your brand?

Thinking through your customers' situations and expectations will help you shape services that meet their needs. This is not an exact science, but it's very helpful to understand your customers' perspectives as much as you can.

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#### A Classic Case Study in Customer Tolerance

A one-of-a-kind campaign by British Airways provided a formative case study in customer tolerance. In 1997, to celebrate its 10th anniversary since privatization, British Airways launched an international phone promotion that drew tens of millions of callers. The contest offered customers the chance to win virtually free tickets to fly round-trip on the Concorde, British Airways' legendary (and now retired) supersonic jet, if they were among the first 100 callers to reach the center once the promotion officially began.

The airline designated its Newcastle, England, contact center to handle all calls during the promotion and doubled its staff. With a great deal of pomp and circumstance, the contest was kicked off on a Tuesday at 10 p.m. (yes, 10 p.m.) To minimize use of annoying busy signals, British Airways used a recorded message that gave callers information about the promotion and thanked them for calling. As expected, most callers who got the announcement kept trying to get through; those who reached the queue were willing to wait and abandonment was negligible—hardly anyone hung up. Just 25 minutes after the contest began and an astonishing 20 million call attempts later—the promotion was over.

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#### Putting Abandonment in Perspective

In many contact centers, abandonment rate is viewed as a key measure of how adequately the center is staffed. I often get questions like, "What's an acceptable rate of abandonment? What is abandonment in such-and-such industry? What should our service level be to keep abandonment under X percent?"

The usual assumptions are: a) there must be industry standards for abandonment; and b) abandonment is a good indicator of contact center performance. Neither is true.

For one thing, abandonment is tough to forecast accurately, at least on a consistent basis. To do so would require predicting the impact of the seven factors of customer tolerance. But because the conditions that drive those factors are constantly changing, an almost unlimited number of variables can have an impact on abandonment.

And keep in mind that abandonment can be a misleading measure of performance. The conventional wisdom is that longer queues translate into higher abandonment. But the seven factors can help to explain apparent paradoxes:

■

Customers who are waiting may be simultaneously using alternatives to search for relevant information; abandonment could mean they found what they needed.

■

When financial markets swing significantly, companies in the financial sector get a surge of contacts. Even though service level may drop, abandonment also often goes down because customers have a higher degree of motivation and are willing to wait longer.

■

When utilities or cable providers have network outages, customers (though not happy about it) are generally willing to wait longer than under normal circumstances. Service level may drop, but abandonment will often be lower than usual.

While these may be obvious examples, what about the more subtle day-to-day shifts in tolerance? It can be baffling. Sometimes, when people have to wait a long time, they wait. Other times, when service level is really good, abandonment is higher than expected.

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#### Can You Eliminate the Wait?

One way to eliminate abandonment would be to eliminate the queue. Realistically, though, having every contact go

immediately to an agent is highly impractical. The reason is the law of diminishing returns: When agents are added, the improvements in service level that can be attributed to each additional agent will eventually decline (see Chapter 9). The below illustrates this phenomenon.

Virtual queuing technologies enable customers to hang up and receive a return call without losing their place in queue. For customers, this prevents the need to leave a voicemail or to wait on hold. For agents, there's little difference between an inbound call and a callback—the system places outbound calls and delivers connected calls to agents, much like inbound calls. How well this approach works depends on the willingness and availability of customers to take callbacks and the resource capacity of the center to handle the calls. It can be especially useful in organizations influenced by weather, service outages, or other factors beyond their control (travel, utilities, etc.). It's not for every situation—if customers are not available when return calls arrive, the ensuing message cycle can weigh heavily on resources and customer patience. You'll also need to understand how your system tracks and reports service level so that you're interpreting it correctly.

Organizations including Southwest Airlines, FirstEnergy, Royal Bank of Canada, and others cite favorable results, such as drops in abandonment and boosts in customer satisfaction. There's no getting around the laws of supply and demand—you need a certain level of resources for the workload. But virtual queues can take some of the edge off of bunched up contacts, providing more convenience to customers.

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(These cautions in mind, some researchers are doing excellent work to better anticipate and account for abandonment. One is Ger Koole, a mathematician and professor at Vrije Universiteit Amsterdam, who uses methods such as the “Kaplan–Meier estimator” to make statistical estimates of the patience of customers. I fully support these efforts. As long as abandonment does not become the primary basis for resource planning, these studies can provide insight that leads to better understanding customer behavior.)

Organizations that maintain high levels of service see abandonment rates of generally no more than one or two percent (see discussions on service level and abandonment in Chapter 4). No organization has zero abandonment for long—unless they are handling every contact immediately, something even emergency service centers can't always do. Any time there is a wait of any length, there is opportunity for customers to abandon.

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#### Points to Remember

- Most contact centers handling customer-initiated contacts have random workload arrival. The type of workload you handle—smooth, random, or peaked—will dictate the staffing calculations you should use.
- Customers behave differently depending on whether the queue is visible or invisible. If possible, they prefer to know how long the wait will be—and will then either abandon right away or wait until they reach an agent.
- There are seven factors that affect customer tolerance. The impact they have is constantly changing.
- You cannot directly control abandonment, but you can control how accessible you are. Concentrate on accurately matching resources with workload, and abandonment will take care of itself.

#### Chapter 4: Accessibility, a Core Value

“Your call is important to us...”

##### DELAY ANNOUNCEMENT

The principle of accessibility is at the heart of effective contact center management. Without overarching objectives that enable accessibility—service level and response time, as we'll see—the answers to many important questions would be left to chance. How long will customers have to wait? What is the ideal level of staff and supporting resources? How busy are your agents going to be? Do you have the resources needed to support new products or services?

Service level ties the resources you need to the results you want to achieve. It measures the

degree to which you're getting contacts "in the door" and to agents. It is a stable target for planning and budgeting.

Is service level more important than quality? Or building customer relationships? Of course not—but it's a prerequisite. Nothing can happen until you get contacts to where they are supposed to go, so that they can be handled effectively.

For contacts that must be handled as they occur, service level as a measurement of accessibility is tried and true in centers worldwide. Inbound calls are a common example, and interactions that include chat, click-to-talk, time-sensitive social media interactions, and video calls also fit into this category.

Most contact centers are also responsible for contacts that belong in a second category—those that don't have to be handled right away. Examples include most email messages, many types of outbound calls, the contacts through social media channels that can be deferred, postal mail, and others. These interactions allow larger windows of time to respond. It is important to have specific response time objectives for these contacts and ensure that they are met through disciplined resource planning and management. Don't make the mistake of treating them as "fillers" in between service level contacts.

### Service Level and Response Time Defined

The term service level is often used to refer to an organization's overall responsiveness to customer contacts. But, when applied to resource calculations, service level has a specific expression: "X percent of contacts answered within Y seconds" (e.g., 90 percent of calls answered within 20 seconds).

"Answer" in this context means that the contact reached an agent so that he or she can begin to handle it. So, a call begins with the greeting; chat begins when the agent begins interacting with the customer; a social media contact is "answered" when it reaches the agent and he or she begins replying. (It's always a good idea to find out how your system defines and treats service level and response time. There can be differences from one supplier to the next, and I always feel more comfortable when I understand what's going on.)

There are various alternative terms for service level. Service level is sometimes referred to as telephone service factor, or TSF, which obviously sounds like it's limited to phone calls. Some call it grade of service (GOS), although I don't prefer that term because it's more typically used to quantify the degree of blocking on a group of trunks (see Chapter 7). It can also be called service standard or simply accessibility.

A few things service level is not:



Average speed of answer (ASA)



Percent of calls answered, which is the inverse of abandonment (e.g., a 97 percent answer rate equates to a 3 percent abandonment rate)



Longest delayed call

When applied to staff requirements, I'll stick to the definition of service level as outlined above: "X percent of contacts answered within Y seconds."

Response time is the related objective for contacts that don't have to be handled when they arrive, expressed as "100 percent response within N days/hours/minutes" (e.g., handling all customer email messages within 24 hours). Response time can be referred to as speed of reply, time to response, or even "service level" (not to be confused with the specific definition of service level). Throughout the book, I will use response time in the specific sense described here, to refer to the level of service assigned to contacts that don't have to be handled right away.

Differentiating between service level and response time is essential because base staff calculations are different. Service level is used in situations with randomly arriving contacts and requires Erlang C or computer simulation to determine staff requirements. Response time

contacts can be held for later processing and can rely on the traditional methods of staff planning often used outside of contact centers. (We'll discuss these calculations in Chapter 7.) There is a point at which response time objectives become service level objectives. For example, some organizations have upped email response time objectives from 24 hours to within the same hour. Some are going even further and handling email, social media contacts, and other customer interactions as they occur. For targets of less than an hour, service level (not response time) becomes the defining objective.

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## Two Major Categories of Contacts



Those that must be handled as they occur. Performance objective: service level



Those that can be handled at a later time. Performance objective: response time

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Some contact types are easy to categorize. For example, phone, video, or walk-in customers are service level interactions. Most customer email messages don't have to be processed when they arrive and are usually treated as response time interactions.

But what about interactions through social media? That depends. If a customer tweets that their power is out, it probably should be responded to sooner rather than later. On the other hand, if someone posts an involved question on how to use your product, it probably can be deferred,

allowing you time to put together an appropriate post or FAQ. (And with an active community, you will likely get some help from other customers.)

But how do you know the difference? Start by thinking through the major types of issues that come up in light of the seven factors of tolerance covered in Chapter 3 (customer expectations, motivation, etc.). Do your best to put yourself in their shoes. Consider the impact on resources. And then, with all of this in mind, establish objectives and plans that enable you to deliver services in line with your customers' needs and expectations.

## Categorizing Customer Interactions

Increasingly, analytics and AI technologies can help determine the nature of social media, email, text, and other contacts, then prioritize and route them appropriately. They can also determine whether to present customers with self-service options or ensure they reach agents (see Chapter 15, GM Leverages AI in Social Customer Care).

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## Operationalizing Social Media

Many organizations start out by handling social media channels as a part of marketing, public relations, or corporate communication efforts. No problem there, and we absolutely need the skills and know-how those disciplines bring to this. But the sooner you are ready to pull the full range of interactions and channels into your customer service operations, the more you will be able to scale resources and respond as opportunities unfold.

I once wrote a blog post entitled "History's Most Powerful Consumer Movement," and favorably mentioned Zappos, the successful online shoe and clothing retailer. Within just a few hours, Derek Flores, who was part of the Zappos Customer Service Team and is now a manager, thanked me for the post (I received his permission to repost the exchange):

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From: Derek Flores

To: Brad Cleveland

Subject: Your most recent blog post

Hello Brad,

I just read your most recent blog about "History's Most Powerful Consumer Movement," and I wanted to let you know that

what you said about Zappos is great. It is great to see people recognizing us for the service we provide our customers. Zappos has always been about the very best customer service and customer experience as well as our focus on company culture! Our company culture allows for our Customer Loyalty Team to be happy at work and deliver that great customer service we focus so much on! An unhappy employee would never be able to deliver that kind of service!

I have shared your blog with some of my colleagues and we look forward to more Brad! Thanks again and have a great weekend!

Derek Flores

Tony's Team

Zappos.com

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This is one of the reasons Zappos, Chewy (online pet supplies retailer), MOO (printing and design), and others have been extraordinarily successful in very competitive markets—they've built organizations that have the capacity, tools, training and empowerment to interact with customers in ways that are both engaging and timely.

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The key to success is to program these capabilities to support your organization's values and standards. I encourage you to think through specific scenarios. For example, how should you handle a contact related to an existing insurance claim versus an accident that just happened? The call from a credit card customer who's traveling internationally? A citizen who received an important notice (e.g., tax lien)?

You get the idea here. Regardless of how capable AI becomes in coming years, you need to define the standards and practices that guide your systems (see Chapter 15).

Understanding and Using Service Level Objectives

Why use service level and not percent answered, percent abandoned, average speed of

answer or other alternatives? Because service level gives the clearest indication of what customers experience when they attempt to reach the organization. And as we'll see in more detail in later chapters, it is the most stable measurement of the queue.

Average speed of answer (ASA) is a close cousin of service level and is derived from the same set of data. But ASA is often misinterpreted. Most of us tend to assume that the average lies somewhere in the middle of a set of data, or that average represents a "typical experience." Not so with ASA. It is mathematically correct, but it does not represent what happens to individual callers.

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Service Level



Provides a link between resources and results



Affects customer goodwill and word of mouth



Affects abandoned (lost) calls



Affects channel switching and simultaneous contacts



Affects agent burnout and errors



Focuses planning and budgets

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ASA has its uses, so don't throw it out. For example, it's an important variable when calculating the load that your systems must carry (discussed in Chapter 7). Further, if service level is so bad that zero percent of contacts reach agents within Y seconds, ASA is a practical

alternative to service level. But, except in that extreme case, service level usually is a more reliable and more telling measure of what customers experience. You know exactly what happens to the percentage of customers you define. If you do use ASA reports, just remember, ASA is not a bell curve—longest waits are far beyond what those numbers suggest (see discussion, Average Speed of Answer is Misleading).

What about customers who give up on a contact while waiting for an agent? As discussed in Chapter 3, looking solely at abandonment as a measure of whether staffing levels are appropriate can be highly misleading. Yes, a high abandonment rate probably is a symptom of significant staffing problems. But a low abandonment rate doesn't necessarily mean everything is fine. And there are cases when abandonment is a good thing (e.g., when customers find what they need while waiting in queue).

If abandonment is too high, you're going to look at instances when it's way out of whack and

try to figure out why. And you'll most often run smack into a low service level. When service level is appropriate, abandonment tends to take care of itself.

Service level also has a direct impact on channel hopping, which occurs when customers switch to different access alternatives. If they encounter an extended wait, they might use self-service alternatives, try different IVR menu selections (which is, technically, the same channel but a different routing alternative), switch from chat to phone or vice versa, send a direct message to the company through a social channel, or throw up their hands and send a message to the world (Have been waiting on hold for 20 minutes now to reach @XYZco. #Fail!). Or, they might try simultaneous (parallel) contacts and see which generates a response first.

Different customers have different experiences with your contact center, even if they are part of the same set of data measured by service level, ASA and other reports. Why? Random workload arrival. Because of this reality, you will need an understanding of what happens to different customers. At a high level, service level is the single best measure of these queue experiences.

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#### Average Speed of Answer Is Misleading

Average speed of answer (ASA) reflects the amount of time customers spend in queue, waiting to reach agents. It's available from virtually any ACD. It's widely used and reported—and it's misleading.

ASA is mathematically sound, no problem there. The problem is in interpretation. Let's say you expect 250 contacts in a given half hour and anticipate an average handling time of 3.5 minutes. If you want to achieve an ASA of between 10 and 15 seconds, you'll need 34 agents, which will produce an ASA of 12.7 seconds (these calculations are based on Erlang C, covered in Chapter 7).

But the following illustration gives the waiting times for individual customers in this scenario. Notice what happens. Sixty-five customers will wait 5 seconds or longer. In the next 5 seconds, 7 of those customers reach agents, so 58 customers are waiting 10 seconds or longer. In the next 5 seconds, 6 more customers will reach agents, leaving 52 waiting 15 seconds or longer. And so forth. There's still a customer waiting at 3 minutes. As you can see, no customer is waiting 4 minutes or more.

So, the contact center reports an ASA of 12.7 seconds and everything's dandy—other than for those unhappy customers who say they waited "several minutes" to get through. "C'mon," you say. "ASA is less than 15 seconds! Surely no one waited more than 30 seconds, tops!" Take a deeper look, though, and the real story becomes clear.

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#### How Systems Calculate Service Level

There are a number of ways systems can be set up to calculate service level. (My thanks to consultant Cheryl Odee Helm for providing a summary for an earlier edition of this book.) You will need to know which calculation is being used since each handles abandoned calls differently. Here are some common formulas for calculating service level:

1.  $(\text{CONTACTS ANSWERED IN Y SECONDS} + \text{CONTACTS ABANDONED IN Y SECONDS})$

÷  
(TOTAL  
CONTACTS  
ANSWERED

+  
TOTAL  
CONTACTS

ABANDONED). This calculation takes all contacts into consideration and is generally a good approach. Contacts that abandon before the objective (e.g., 20 seconds) help—not hurt—service level.

2. CONTACTS ANSWERED IN Y SECONDS ÷ TOTAL CONTACTS ANSWERED.

This alternative only considers contacts reaching agents and is not a good reflection of all activity. Outsourcers being measured on abandonment like it, because a high abandonment rate does not “ding” them on service level too. But given that abandonment is entirely ignored, I do not recommend this calculation.

3. CONTACTS ANSWERED IN Y SECONDS ÷ (TOTAL CONTACTS ANSWERED + TOTAL CONTACTS ABANDONED). This alternative tends to be the least popular among many contact center managers because all contacts that abandon, even those that abandon before the objective, negatively affect service level. It’s a favorite of some, though. As consultant Laura Grimes puts it, “It’s the high road calculation; it gives me an edge over other methods in building a business case for agents.”

4. CONTACTS ANSWERED IN Y SECONDS ÷ (TOTAL CONTACTS ANSWERED + CONTACTS ABANDONED AFTER Y SECONDS). With this calculation, abandoned contacts only have a negative impact on service level if they happen after the Y seconds specified. Contacts that abandon before the objective do not affect service level. This calculation is a way to avoid getting “penalized” by customers who abandon quickly without ignoring abandoned contacts altogether. All things considered, this is a good approach.

Whatever approach you settle on, it’s important to use it consistently and ensure others understand the assumptions you are making. And if you’re in a multisite operation, or have a mix of internal and outsourced services, you should all use the same formula. You may have different service levels for different queues, but use the same formula.

Giving Service Level Teeth

For service level to have meaning, you must view it over an appropriate time frame. Daily service level reports often conceal important information. Service level can take a big hit in the morning, but if you have staff handling every contact immediately much of the afternoon, the daily report may look fine. The level of service from customers’ perspectives is a different story.

Managers who are held accountable for daily reports have an incentive to manage inappropriately. If the morning was rough, they may keep agents plugged in and handling the work through the afternoon just to make the reports look better. That’s a waste of time and resources, and it doesn’t help customers who encountered poor service earlier in the day. If daily reports are potentially misleading, monthly averages for service level are virtually meaningless. They simply don’t reflect the day-by-day, half-hour-by-half-hour realities. Monthly reports that aggregate data remain an all-too-common way to summarize activity to senior management (we’ll look at better alternatives in Chapter 10).

Generally, reports only tell you what is happening to the contacts that get through. If your contact center uses busy signals or messages to deflect work, then service level must be interpreted in light of contacts that aren’t getting through. In fact, you can (but should not) make reports such as service level and average speed of answer look as good as you want by limiting the contacts that get through or manipulating order of answer.

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WAIT—THAT’S CHEATING!



I once did some consulting work for a contact center handling service for a large utility. They had two people, referred to as “traffic controllers,” who monitored the queue and helped facilitate staffing adjustments as necessary.

I learned they had a few tricks up their sleeves. For example, if service level began to slip, they would take blocks of queue calls and put them into a holding pattern, allowing calls just entering the system to go right to agents. As the queue settled, they would release the calls from the holding pattern and allow them to reach agents. It was like putting aircraft over a busy airport into a holding pattern and allowing newer arrivals to land first. In this way, they could literally control their service level results—or at least how they appeared in reports.

The happy ending is that they acknowledged and stopped the practice, and (though the reports looked worse for a while) were able to make meaningful adjustments to staffing levels. It was a good reminder: there are many ways to make reports say any story you want. But if you want to improve, you must have accurate information that relays the unvarnished truth.

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### Choosing Service Level Objectives

The number of staff you need to handle contacts and the schedules you produce should flow from your service level objective. Imagine that, in a half-hour period, you’re going to receive 50 contacts that take an average of five minutes to handle. If you have only two agents, the delay time for most customers will be long, and you’ll probably have high abandonment. As you add agents, delay times will drop.

How many people should you add? Enough to reduce the queue to an acceptable level for you and your customers. In other words, the answer to that question becomes your service level target, and you won’t be able to achieve your target without the correct level of resources.

There is generally no “industry standard” service level that you can rely on for guidance. (There are exceptions: for example, service levels for many utilities are regulated.) The optimum service level is affected by a host of factors, including the value of contacts, fully loaded labor costs, telecommunications and bandwidth costs, customer tolerances, the organization’s customer access strategy and the desire and commitment to differentiate through service. An industry standard would require that organizations have the same values for these things.

The correct service level for your organization is the one that:

- Supports the organization’s mission and brand
- Meets customers’ needs and expectations
- Keeps abandonment at acceptable levels
- Minimizes agent burnout and errors
- Minimizes expenses
- Maximizes revenue
- Is understood and supported by senior management

There are essentially five approaches you can use to determine your service level objectives.

Each involves some subjectivity and requires good judgment.

One is to listen to the voice of the customer, including customer feedback gathered through interactions, surveys, focus groups, and comments and ratings provided through social channels.

You will also want to think through the seven factors of customer tolerance (see Chapter 3).

There’s a caution, though. While it’s always important to know what your customers expect, random contact arrival means that different customers have different experiences. Even for a relatively modest service level such as 80 percent answered in 60 seconds, more than half of the customers will get an immediate answer. Some, though, will wait in queue for 3 to 5 minutes,

assuming no overflow or other contingency (we'll go over how to make these calculations in Chapter 7). As a result, many in that set of customers would say that your service level is great, while a handful would tell you that it is poor.

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#### ALTERNATIVES FOR CHOOSING A SERVICE LEVEL OBJECTIVE



Listen to the voice of the customer



Go with a “typical” objective



Relate to competition—go higher/lower



Minimize abandonment



Use a combined approach

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Here's an interesting survey approach I've seen some managers take. They query individual customers about how long they waited in queue (with encouragement to not glance at the timer on their phone). They then compare the responses with the actual wait times of those contacts. In many customer service settings, waits of up to 60–90 seconds are okay with customers. But beyond about 90 seconds, customers' view of reality can become skewed, and their moods can sour. Those who wait 3 minutes in queue may say they waited 4 or 5. Those who wait 5 minutes will often tell you they waited 8 or 10 minutes. At some point as service deteriorates, perception is worse than reality, so you'll want to consider what your customers believe is happening (see figure, Perception of the Queue).

A second approach is to choose a typical or “middle-of-the-road” service level objective, such as 80 percent of contacts reach agents within 20 seconds. The 80/20 objective was once published in ACD manuals as an industry standard. In reality, it never was, but many early call centers used this target. The objective 80/20 is still fairly common because for many contact centers it is a reasonable balance between customers' expectations and the practicality of having enough staff to meet the objective. It may or may not be right for you.

A third alternative for choosing service level objectives is to look at competitive or industry norms and determine whether you want to emulate them or stand out. Chewy.com, a Florida-based online retailer of pet supplies, answers most calls within five seconds. If you mention the organization in a social media channel, a “Chewtopian” usually responds in a matter of minutes. This accessibility—and the amazing service you get once connected—has helped Chewy thrive in a competitive market.

When benchmarking, keep in mind that the results reported by others and what they are actually achieving may be two very different things. I recall working with two different insurance companies that, at first glance, seemed similar. But according to surveys, one had far happier customers and employees. On deeper dive, it became clear that this organization was delivering services much more consistently, tracking and managing it by increment. The other company was reporting service level as an average for the month, and was predictably getting clobbered on Monday mornings and at other key times. You have to know what's really happening for benchmarks to make sense.

#### Example Service Level Objectives

A fourth method is to ask, how low can you go without losing customers? A big downside to

this approach is that abandonment levels and service levels don't always correlate. Even so, it can be a helpful consideration.

Incremental revenue analysis is a formal methodology to determine the potential impact of abandonment on overall costs. This approach has been traditionally applied in revenue-generating environments—e.g., retail companies or nonprofit organizations that depend on contributions—where contacts have a measurable value. (It's difficult to apply in centers where there's no revenue attributed to contacts.)

To use the incremental revenue analysis approach, you attach a cost to abandoned contacts and make assumptions on how many contacts you would lose for various service levels. The theory is you should continue to add agents and system resources as long as they produce positive incremental (additional) revenue (value) after paying for their own costs (see example). Incremental revenue analysis can be valuable when used in conjunction with other approaches, as long as the assumptions (especially the uncertainties of predicting abandonment) are understood. Don't let the scientific look of this approach mislead you—it requires some pretty serious guesswork!

#### Incremental Revenue Analysis Example

A fifth and overall best approach is an iterative process that combines the strengths of each of the other methods. Think through all of these issues, then come up with service level objectives that best reflect your organization's brand and the expectations of your customers. See how they work in the real world, and agree to revise your objectives if (and only if) absolutely necessary. Whichever combination of methods you choose, you will have more success managing your contact center by having a service level target on which to base your planning. Showing senior management what kind of service can be bought for a specific amount of funding is an excellent way to involve them in the decision and to get their buy-in from the beginning.

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#### THE QUICK VERSION OF CHOOSING A SERVICE LEVEL OBJECTIVE

I often hear, "Okay, the analysis is fine, but let's get to the point: What should our service level objective be?"

Fair enough. If you're in a competitive industry, such as retail, shipping, or mutual funds, and want to be on the high end of the scale, 90/20 is fairly common. Others go for 85/15 or 90/15. If you hit these targets fairly consistently, your abandonment will likely be around 1 percent or 2 percent.

Going for the middle of the road? 80/20 is common. That's what a lot of banks, insurance companies and travel reservation centers shoot for. Other popular mid-range service levels are 80/30 and 90/60. Hit any of these objectives consistently, and you will generally see abandonment rates of 3 percent or 4 percent.

Want a service level that is more modest? Targets common with many technical support centers and government organizations are 70/60, 80/120 or even 80/300. Abandonment can climb to 10 percent, 15 percent or higher. But hold your judgment—some of these organizations do a great job of using the resources they have to hit these objectives consistently. Of course, there are exceptions to the norm in any industry. For example, technical support operations that charge for support, or that serve internal customers who have time-sensitive requirements, maintain comparatively high service levels. Interpret these numbers with common sense. If you are an emergency service center, you will target 100/0. On the other end of the scale, there are centers for which 80/300 is a dream. I once worked with a center that was blocking over 70 percent of customer contacts, yet still losing a large portion of those that got through due to excruciatingly long waits (they've since dramatically turned things around).

Above all, remember that it's not just how high your objectives are, but how consistently you hit them. If you really want to see how you're doing and what realistic targets might be, produce service level graphs like those shown in Chapter 8.

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#### Realistic Targets, Taken Seriously

If your operation is chronically missing your target, it may be an indication of a fundamental misconception about the importance of service level. You'll need to focus on a service level objective that your organization can realistically achieve. Once you know your center's true

capabilities, you must be able to back up your objectives with the right amount of resources. Service level should not be a “goal,” something that is nice to strive for. An airline doesn’t have the “goal” of reaching Montréal when the plane takes off from Mexico City. It’s a concrete objective, supported by adequate resources (fuel, pilots, navigation equipment, etc.). Why is it that some contact centers don’t get the resources they need? Sometimes it’s because the money isn’t available. Or maybe management at the top believes that it’s possible to achieve the service level target with the current level of resources, thinking all that is needed is an improvement in efficiency. Or maybe the contact center manager has failed to educate senior management on the link between service level and budget. My encouragement is to make the effort to establish concrete objectives and get everyone on board.

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## SERVICE LEVEL ACROSS CHANNELS

Contact center professionals often liken the time it takes for customers to receive a reply to a non-phone contact to what service level means to inbound calls. But there is an important difference: speed-of-answer statistics associated with calls based on when the call reaches the agent. But speed-of-response for other kinds of contacts—e.g., chat, social media, etc.—is based on when the customer receives a reply, which can only happen after the agent actually handles the inquiry. Is this distinction important? That depends. For email—where response time is typically measured in hours—it doesn’t matter much (see discussion on response time, below). But chat and social media interactions that need to take place as are a different matter. Response is measured in seconds or minutes, and the time required for the agent to craft the reply taken into account. I’ve seen cases where well-intentioned executives set a target for exchanges of three minutes or less takes longer than that to create the reply! That’s a recipe for disaster (or, at the least, for missed targets). It is up to the management team to establish workable objectives supported by the right level of resources.

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## Understanding and Using Response Time Objectives

Response time is the equivalent of service level for contacts that don’t have to be handled when they arrive. Response time, like service level, becomes the critical link between the resources you need and the results you want to achieve.

### Variations on Response Time

There are often several components to the organization’s response. The most common are:

**AUTOMATED REPLY:** This is a system-generated reply to the customer, acknowledging that a message they sent was received and informing them of when to expect an agent-assisted response. This establishes appropriate expectations and minimizes additional contacts inquiring about the status of the original message.

**AGENT-ASSISTED RESPONSE:** This refers to the response the customer receives when the interaction is actually handled by an agent. The time that elapses between the customer’s original message and the contact center’s response is measured as response time.

**RESOLUTION:** This is a measure of when the problem or issue is actually resolved and is used in environments where the contact center’s initial response may not fully resolve the issue.

For example, in a technical support environment, additional research may be necessary; the problem is “resolved” when the matter is handled to completion and the case is closed.

Additionally, there are two primary types of response time, scheduled and rolling. Scheduled response time, like dry-cleaning service, is geared around blocks of time. For example, you may commit to handle all messages received up to noon by 4 p.m., and to respond to messages received between noon and 5 p.m. by 10 a.m. the next day.

Rolling response time is hinged on the specific time each message arrives. Strictly applied, if

you establish a four-hour response time, a customer who sends a message at 9:03 a.m. should get a response by no later than 1:03 p.m., and one who sends a message at 9:12 a.m. should receive a response by no later than 1:12 p.m.

### Response Time Alternatives

### Choosing Response Time Objectives

Choosing response time objectives involves many of the same considerations you went through for service level, such as the seven factors affecting customer tolerance. Today, many contact centers still have straightforward, 24-hour scheduled response time objectives (or a close variation, such as by end of next business day). But some have raised the bar and set objectives of several hours or less. A small but growing number of centers are handling what used to be response-time-type contacts (such as email or social media messages) as they do inbound calls: queuing them and handling them as they arrive. In this case, service level (rather than response time) objectives apply.

An important step in establishing response time objectives is to inform customers up front what they can expect. Otherwise, what started as a single inquiry that is still in queue can turn into additional contacts.

### Internal Communications

In many cases, meeting response time objectives requires internal resources to be available in a timely manner. Don't leave this to chance. Create a plan with your organization that establishes agreed-upon internal service level and response time standards.

#### Example Response Time Objectives\*

As part of the agreement, be sure to define priorities and appropriate responses for internal messages: urgent (requiring an immediate response), routine (requiring a response time of, say, the same day), and informational messages only (requiring no response). Likewise, internal collaboration tools are becoming pervasive, but you'll need to talk through expectations and get agreement on when and how they will best be used.

#### The Link to Quality

When you talk about being accessible, someone is bound to bring up an important point: you can achieve your service level (or response time) objectives and miss by a mile on quality. Your agents can misunderstand customer requests, enter data incorrectly, relay the wrong information to customers, miss opportunities to capture valuable feedback, and unnecessarily cause unnecessary repeat contacts.

But over time and fundamentally, service level and quality are complementary. In fact, you cannot have one without the other, at least not for long. Consider how poor quality jeopardizes service level. What happens when data is not entered correctly? If the customer does not have confidence the contact was handled correctly? If you did not capture needed and useful information? These problems contribute to repeat and escalated contacts, driving down service level.

The problems tend to compound. When service level drops, customers begin channel hopping or sending simultaneous contacts. Reports are less stable for planning purposes. As service deteriorates, more and more customers express their frustration to agents, who will have to spend valuable time apologizing. Agents eventually pace themselves, further backing up queues. If this condition continues, employee morale can sink, and burnout and turnover go up. It's an unfortunate and costly cycle.

Let's flip the script. Better quality means less waste and rework, which often dramatically improves capacity and service level. And better service levels give your agents the room they need to breathe and deliver the best quality.

And remember the bigger picture, the contact center's role in customer experience. Consider the positive impact on the organization's workload when the contact center helps other service and production areas pinpoint and address quality problems and improve products and services. The contact center can have a positive impact on the entire organization's workload, productivity, and quality. (We'll look at these issues in Chapter 13.)

Do you need to choose between service level and quality? Not at all. Service level and quality go hand in hand.

Service level and response time objectives are enablers. Nothing happens unless contacts first

get to the right places at the right times. In the chapters to follow, we will cover the planning steps required to meet your service level and response time objectives. These activities will include forecasting, staffing, scheduling, and budgeting. But none of these later steps are possible without first establishing appropriate targets.

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#### Points to Remember

■ Service level is the performance objective for contacts that must be handled as they occur,

such as inbound calls, chat, and time-sensitive social media interactions. Response time is the performance objective for contacts that can be handled at a later time, such as email and social media messages that can wait.

■ Staffing, system resources, scheduling and budgeting are all tied to your service level and response time objectives.

■ Establishing service level and response time objectives is not an exact science, and you may need to adjust your targets as you determine required resources and calculate costs in later planning steps.

■ Service level and quality are complementary. Good quality improves service levels by minimizing repeat contacts, channel hopping, and waste and rework. And good service levels create an environment in which quality can thrive.