**Problem Statement**

**Project: Reducing Customer Service On-Hold Time at Example Company**

The average customer service on-hold time for Example company exceeds five minutes during both its busy and slow seasons.

This can be used to describe a current pain point within an organization that may need to be addressed. Note that the statement specifies that the issue occurs during the company’s slow time as well as the busy season. This is helpful in performing the root cause analysis and determining how this problem can be solved.

**Problem:**

The average customer service on-hold time for Example company exceeds five minutes during both its busy and slow seasons. The company is currently understaffed and customer service representatives are overwhelmed.

**Background:**

Example company is facing a significant challenge in managing their customer service on-hold times. In the past, the company had been known for its efficient and timely customer service, but due to a combination of factors, including understaffing and increased customer demand, the on-hold times have exceeded five minutes consistently. This has resulted in frustration and dissatisfaction among customers, negatively impacting the company's reputation and customer loyalty.

**Relevance:**

Reducing the on-hold times for customer service callers is crucial for Example company. Prolonged waiting times have a detrimental effect on customer satisfaction and loyalty, leading to potential customer churn and loss of revenue. Additionally, the company's declining reputation in terms of customer service can have a lasting impact on its competitive position in the market. Addressing this problem is of utmost importance to improve customer experience and maintain a positive brand image.

**Objectives:**

The primary objective of this project is to reduce the on-hold times for customer service callers at Example company. The specific objectives include:

Analyzing the current customer service workflow and identifying bottlenecks contributing to increased on-hold times.

Assessing the staffing levels and resource allocation to determine the extent of understaffing and its impact on customer service.

Developing strategies and implementing measures to optimize the customer service workflow and reduce on-hold times.

Monitoring and evaluating the effectiveness of the implemented measures through key performance indicators (KPIs) such as average on-hold time, customer satisfaction ratings, and customer feedback.

Establishing a sustainable approach to maintain reduced on-hold times, taking into account both busy and slow seasons, through proper resource planning, training, and process improvements.

**What**

**Consistent Issue:** The fact that this problem occurs during both busy and slow seasons suggests that the current call management system, staffing levels, or call-handling procedures are not optimized to efficiently manage customer inquiries.

**Customer Impact:** Long on-hold times can lead to increased customer frustration, decreased satisfaction, and potentially higher churn rates as customers might seek quicker service elsewhere.

**Operational Efficiency:** The extended on-hold times may also reflect underlying operational challenges, such as insufficient staffing, ineffective call routing, or outdated technology that can't handle current demand effectively.

**Who**

**Customers:**

Directly Impacted: The primary group affected by the extended on-hold times is the customers. Long wait times can lead to frustration, dissatisfaction, and potentially cause them to seek alternatives, impacting customer loyalty and retention.

Experience: Customers are expecting prompt and efficient service. When they are kept on hold for over five minutes, their overall experience with the company diminishes, which can result in negative word-of-mouth or poor reviews.

**Customer Service Representatives:**

Operational Stress: Prolonged on-hold times may increase the stress on customer service representatives, who might face more irate or impatient customers as a result. This can also lead to lower job satisfaction and higher turnover rates within the team.

Efficiency: The on-hold issue may point to inefficiencies in how calls are handled, potentially overburdening the staff and leading to lower overall productivity.

**Management:**

Accountability: The management team is responsible for ensuring that customer service operations run smoothly. Persistent long on-hold times may reflect poorly on their leadership and decision-making, especially in resource allocation and process optimization.

Business Outcomes: Management is also concerned with the broader business implications, including the potential loss of customers and revenue due to poor customer service experiences.

**Stakeholders:**

Investors: Extended on-hold times could indicate operational inefficiencies, which might concern investors looking for strong customer retention and positive growth metrics.

Partners: Business partners who rely on Example Company’s reputation for excellent customer service may also be affected if the company’s service standards slip.

**IT and Operations Teams:**

System Management: These teams are responsible for the technological and operational infrastructure that supports customer service. Extended on-hold times may signal the need for system upgrades, better call-routing software, or improved staff scheduling.

Process Improvement: They may need to identify and implement solutions to reduce these on-hold times, such as optimizing workflows, integrating new technologies, or re-evaluating staffing levels.

**When Does the On-Hold Time Issue Occur?**

**Consistently Throughout the Year:**

The issue of extended on-hold times occurs consistently throughout the year, both during busy and slow seasons. This suggests that the problem is not tied to specific peak periods but is a year-round challenge.

**During Business Hours:**

The long on-hold times typically occur during regular business hours when most customers are trying to reach customer service. This could indicate that the company’s current staffing levels or call management processes are insufficient to handle the volume of calls at any time of day.

**Peak and Non-Peak Periods:**

Even during non-peak periods, when the call volume is expected to be lower, the average on-hold time still exceeds five minutes. This indicates that there might be inefficiencies in the system, such as inadequate staffing, slow call-handling processes, or outdated technology, that affect service levels regardless of call volume.

**Seasonal Trends:**

The problem persists across different seasons, meaning that both seasonal peaks (like holidays) and slower times (like mid-year) experience similar on-hold delays. This could imply that the underlying issues are systemic and not just due to temporary increases in demand.

**Implications of the Timing:**

Predictable Issue: Since the long on-hold times occur both during high-demand periods and slower times, the company can predict and plan for these issues. However, the consistency of the problem suggests that the current strategies are inadequate.

Continuous Impact: The fact that on-hold times remain high year-round means that the company may be continuously risking customer dissatisfaction, rather than only during certain times of the year.

Urgency for Solution: Given that this is not a seasonal or sporadic problem, it requires a comprehensive and urgent solution that can improve service levels across all times and seasons.

**Where Does the On-Hold Time Issue Occur**

**Across All Customer Service Channels:**

The prolonged on-hold times are experienced across all phone-based customer service channels within Example Company. Whether customers are calling from different regions, departments, or for various types of inquiries, the issue is pervasive.

**In All Call Centers:**

This problem is present in all of Example Company’s call centers, regardless of their location. Whether the call center is domestic or international, the on-hold time consistently exceeds five minutes, indicating that the issue is not isolated to a specific location.

**During Calls to Specific Departments:**

The extended on-hold times might be particularly prominent when customers are trying to reach certain departments (e.g., technical support, billing, or returns). These departments might be understaffed or handling complex issues that contribute to longer wait times.

**In Remote or Less-Served Areas:**

The problem might be more acute in regions where the company’s infrastructure is less developed, or where there are fewer resources allocated to customer service. In such areas, customers may experience even longer on-hold times due to limited staffing or technical capabilities.

**Throughout the Company’s Service Regions:**

Customers across all of Example Company’s service regions, whether local or global, experience these long wait times. This indicates that the problem is not tied to a specific geographic area but is instead a company-wide issue.

**Implications of the Location:**

Widespread Issue: Since the on-hold time issue is happening across multiple locations and departments, it points to systemic inefficiencies rather than isolated problems. This requires a company-wide approach to resolving the issue.

Consistent Customer Experience: The fact that the problem occurs in all regions and departments means that customers are likely to have a consistently negative experience no matter where they are calling from or what their issue is.

Need for Comprehensive Solutions: Addressing this problem will require solutions that can be implemented across all locations and departments, possibly involving process standardization, technology upgrades, or centralized training programs.

**Why Does the On-Hold Time Issue Occur?**

**Inadequate Staffing Levels:**

Understaffing: The customer service department may not have enough staff to handle the volume of incoming calls, leading to longer wait times. This could be due to budget constraints, difficulty in hiring, or poor workforce planning.

Inefficient Scheduling: Even if staffing levels are adequate, poor scheduling could mean that not enough representatives are available during peak times, while overstaffing occurs during slower periods, leading to inefficiencies.

**Inefficient Call Routing and Management:**

Outdated Technology: The company might be using outdated call-routing technology, which could result in inefficient handling of calls. Calls may be misdirected or placed on hold longer than necessary while waiting for the appropriate representative.

Complex Call Processes: If the call management process is overly complicated, it can lead to delays. For example, if calls need to be transferred multiple times or if representatives need to perform extensive lookups before they can assist the customer, on-hold times will increase.

**High Call Volume with Insufficient Infrastructure:**

Increased Call Demand: During busy seasons, call volumes naturally rise, but if the infrastructure is not scaled to handle these peaks, it results in longer hold times. However, if the system is also struggling during slow seasons, it suggests that the infrastructure may be inadequate overall.

Inadequate Self-Service Options: A lack of effective self-service options (like an online help center, chatbots, or automated phone menus) can drive more customers to call, overwhelming the available resources.

**Poor Training and Skill Levels:**

Training Gaps: Customer service representatives might not be fully trained to handle the variety of issues that customers present, leading to longer call handling times and more frequent holds as they seek help from supervisors or look up information.

Low Efficiency: Representatives might lack the necessary tools or skills to resolve issues quickly, which extends the duration of calls and leads to increased on-hold times for subsequent callers.

**Systemic Operational Inefficiencies:**

Process Bottlenecks: There may be inefficiencies in the internal processes, such as slow systems, lengthy authentication processes, or inadequate access to customer information, which all contribute to longer on-hold times.

Lack of Real-Time Data: Without real-time data on call volumes and representative availability, the company may struggle to adjust resources dynamically to meet demand, leading to extended on-hold times.

**Limited Customer Service Resources:**

Budget Constraints: If the company has not invested sufficiently in its customer service infrastructure, whether in terms of technology, staffing, or training, it can lead to consistent underperformance in handling customer inquiries.

Resource Allocation: The company may have allocated its resources inefficiently, focusing on other areas at the expense of customer service, leading to systemic issues like long on-hold times.

**Implications of the Causes:**

Customer Dissatisfaction: Each of these factors contributes to a negative customer experience, which can hurt the company’s reputation and customer retention.

Need for Comprehensive Review: To address the issue, Example Company needs to conduct a thorough review of its customer service operations, identify bottlenecks, and implement strategic improvements.

Long-Term Consequences: If not addressed, these underlying issues could lead to a sustained decline in customer satisfaction and loyalty, impacting the company’s bottom line.

**How Does the On-Hold Time Issue Occur?**

**Call Volume and Handling Capacity:**

Mismatch Between Call Volume and Capacity: The company may experience a consistent level of call volume that exceeds the capacity of available customer service representatives to handle efficiently. During both busy and slow seasons, the number of calls might not be adequately matched by the number of staff available, leading to longer hold times.

Lack of Dynamic Resource Allocation: The company might not be adjusting its resources dynamically based on real-time demand. For example, if more calls come in than expected during slow seasons, there may not be a mechanism in place to quickly bring in additional staff or reroute calls to less busy centers.

**Call Management System Inefficiencies:**

Inefficient Call Routing: The company’s call management system might be inefficient, leading to calls being routed to the wrong departments or representatives, or requiring multiple transfers. Each transfer adds to the time a customer spends on hold.

Outdated Technology: The technology used to manage and distribute calls may be outdated or not optimized, resulting in delays in connecting calls to available representatives.

**Long Call Handling Times:**

Complex Issue Resolution: If the issues customers are calling about require complex resolution processes, each call may take longer to handle. This means subsequent callers have to wait longer on hold.

Insufficient Training: Representatives may not be adequately trained, causing them to take longer to resolve issues or needing to place customers on hold frequently while they seek assistance or look up information.

**Operational Constraints:**

Limited Staffing Flexibility: The company might have rigid staffing schedules that do not allow for flexibility based on fluctuating call volumes. Even during slow seasons, if staffing is not aligned with demand, long on-hold times can persist.

Process Bottlenecks: Internal processes may be inefficient or overly complicated, such as requiring multiple approvals or access to various systems, which can prolong the time representatives spend on calls, increasing the on-hold time for other customers.

**Inadequate Self-Service Options:**

Over-Reliance on Phone Support: If the company does not offer sufficient self-service options, more customers will need to call for support, overwhelming the phone lines. This can occur even during slower seasons if customers have no alternative but to call.

**Lack of Real-Time Monitoring and Adjustments:**

Inability to Monitor and Respond to Real-Time Conditions: The company may lack real-time monitoring tools to track on-hold times and call volumes, making it difficult to adjust staffing levels or other resources in response to sudden increases in demand.

**Process of On-Hold Time Exceeding Five Minutes:**

Customer Calls In: A customer calls in, and due to high call volumes or insufficient staffing, they are placed on hold.

Call Routing: The call is routed through an inefficient system, possibly leading to delays or misrouting that extends the time the customer is on hold.

Representative Engagement: When a representative finally takes the call, they may need to place the customer on hold multiple times to gather information or seek assistance, further extending the overall hold time.

Process Bottlenecks: The representative might encounter internal bottlenecks, such as slow systems or complex procedures, that prolong the call handling time, keeping other customers on hold.

Call Ends, Next Customer Waits: Once the call ends, the next customer in the queue experiences a similar process, resulting in average on-hold times exceeding five minutes consistently.

**Conclusion:**

The average on-hold time exceeds five minutes due to a combination of factors, including mismatches between call volume and staffing, inefficient call routing, long call handling times, operational constraints, inadequate self-service options, and a lack of real-time monitoring and responsiveness. Addressing this issue will require a multifaceted approach, targeting improvements in technology, staffing, training, and processes.