**Assessing current staff levels and impacts of reduced staff levels**

**Problem:**

The call centre management needs to ensure they have an adequate number of staff to handle the expected demand while maintaining their target service level of answering 80% of calls within 60 seconds. The aim is to develop workload hours forecast, calculate the required number of staff using the Call Design Erlang Calculator, and evaluate the impact of having 3 fewer staff members than required.

**Data and Assumptions:**

- Data on call demand and Average Handle Time (AHT) is provided in the "Demand" tab of the "Staffing Requirement Data" spreadsheet.
- Shrinkage data is available in the "Shrinkage" tab of the "Staffing Requirement Data" spreadsheet. Shrinkage includes factors such as breaks, training, absenteeism, and other non-productive times.
- The target service level is to answer 80% of calls within 60 seconds.
- The contact centre operates 16 hours per day, 7 days a week.

**Observations:**

Current staff levels

- The target service level is 80% of calls answered within 60 seconds, which is within one of the most common targets in Australia (as of 2023) (Reference: ACXPA).
- **Shrinkage** percentages are relatively consistent around 30%, and **AHT** are within industry standards.
- **Total staff required** remains relatively consistent at 7 during the first quarter.
- **Service levels** are relatively high, indicating that the call centre is meeting its service targets of answering 80% calls within 60 seconds most of the time.
- The **resulting occupancy rates** suggest that the staff are not fully utilised, as the accepted occupancy is around 80-85%.

| Q1 | January | February | March |
|---|---|---|---|
| Demand-monthly | 15151 | 13502 | 13224 |
| AHT(seconds) | 346 | 344 | 361 |
| Workload Hours | 1455 | 1291 | 1325 |
| **Base Staff Required** | **5** | **5** | **5** |
| Shrinkage % | 30.39 | 32.71 | 30.12 |
| **Resulting Occupancy %** | **58.7** | **52** | **53.5** |
| **Total Staff Required** | **7** | **7** | **7** |
| **Service level %** | **84.6** | **90.2** | **88.9** |

Reduced staff levels (-3)

- The **service level** drops to 0% in all three months, indicating that the call centre is unable to handle the incoming call volume with the reduced staffing. This suggests significant wait times and potentially missed calls.
- The **occupancy rate** jumps to 100% for all three months, indicating that the remaining staff are fully utilised and likely overwhelmed. This can lead to agent burnout and increased turnover rates.
- The **base staff required** to handle the workload drops to 2; however, the reduced staff of 4 (total) is insufficient to manage the demand, leading to poor service levels.

| Q1 | January | February | March |
|---|---|---|---|
| Demand-monthly | 15151 | 13502 | 13224 |
| AHT(seconds) | 346 | 344 | 361 |
| Workload Hours | 1455 | 1291 | 1325 |
| **Base Staff Required** | **2** | **2** | **2** |
| Shrinkage % | 30.39 | 32.71 | 30.12 |
| **Resulting Occupancy %** | **100** | **100** | **100** |
| **Total Staff Required** | **4** | **4** | **4** |
| **Service level %** | **0** | **0** | **0** |

- Potential impacts:
  - **Customer experience**: With a service level of 0%, customers will experience long wait times, increased call abandonment, and overall dissatisfaction, which can harm the company's reputation and customer retention rates.
  - **Employee well-being**: A 100% occupancy rate can lead to employee burnout, stress, and higher turnover rates. This, in turn, can increase hiring and training costs and reduce overall efficiency.
  - **Operational efficiency**: The call centre may face operational disruptions as the reduced staffing levels are inadequate to handle the expected call volume. This inefficiency can result in a backlog of calls and decreased productivity.

**Conclusions:**

The shrinkage percentage and AHT are within industry norms. However, the occupancy rate is significantly below industry standards, indicating that staff are not being fully utilised. Reducing the total staff by 3 would result in failing to meet target service levels, and the resulting 100% occupancy is not sustainable.

**Recommendations:**

- **Staffing adjustments:** Maintain the current staffing levels or explore incremental staffing reductions to balance occupancy rates and service levels. For example, reducing the total staffing level to 6 can increase the occupancy rate to 65%, however it reduces the service level to 72.2% during February.
- **Increase automation:** Invest in automated systems such as chatbots to handle routine queries and simple tasks, thereby reducing the workload on human agents and improving service levels.
- **Part-time and flexible staffing models/optimise scheduling:** Implement flexible staffing models such as part-time or on-call staff to handle peak times and unexpected increases in call volume. This approach can help maintain service levels without the need for full-time staff during low demand periods.
- **Analyse call volume and patterns**: Review historical call volume data to understand peak, off-peak, weekdays, weekend and seasonal variations, and adjust the staffing strategies accordingly.
- **Long term call volume forecasting**: Analysing historical data and use advanced analytics to accurately predict call volumes. This will help determine the future demand during specific times of the year and day, enabling the development of flexible staffing schedules.

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