

## The “Chatty” Accusation at the Customer Support Call Center

### CASE OVERVIEW & PROBLEM IDENTIFICATION:

BabyProduct Corporation (BPC) is a multinational corporation that specializes in maternal and infant care products. Originating in the United States, the company has successfully expanded sales in Latin American countries over the past decade leading to significant revenue growth. As BPC’s customer base expanded, it needed to create a diverse customer support team. However, the formation of the new team presented four primary challenges – weak team structure, lack of supportive context, team fragmentation, and the lack of a common compelling goal. The new team was composed of a 3-to-1, Americans-to-Latin American ratio, this imbalance overshadowed the Latin-American perspective often leading to conflicts. Additionally, an ineffective financial incentives system hindered the creation of a supportive environment leading to team fragmentation. This division further intensified due to the absence of common compelling goals, and misunderstandings resulting from issues with the team’s structure. These factors are discussed in detail in Appendix 1.

### RECOMMENDATIONS AND IMPLEMENTATION

#### **Recommendation 1 - Incorporate Cultural Sensitivity**

One of the key issues highlighted in the case is the cultural diversity within the call center team, specifically the contrasting approaches of American team members and Sonia Enriquez, who brings a culturally nuanced perspective (Appendix 3). To address this, we recommend the following:

- Organize Cultural Sensitivity Training Sessions - Schedule mandatory and periodic training sessions for all members, simulating live customer interactions under the guidance of external cultural experts or consultants who are well-versed in Latin American and American cultural nuances. The focus of hiring the experts must be on providing insights into how to speak to customers of a specific region and what BPC’s target customers perceive as satisfactory assistance from the team. This will allow for a more common and goal-oriented approach to be taken by all members while equipping them with technical knowledge of the monitors as well as customer service skills.
- Cross-Cultural Team Building Exercises - Similar to the exercise of Lego coordination (performed by our teams in class), organizing team-building activities can foster empathy, cooperation, and a deeper understanding of Sonia’s perspective. It can help create open dialogue and an inclusive work environment. Three specific examples of cross-cultural activities are discussed further in Appendix 2.

#### **Recommendation 2 - Re-evaluate Key Customer Metrics**

The current incentive structure places excessive emphasis on call duration, which can potentially compromise the quality of customer interactions. To address this issue and promote a more balanced approach that considers **both staff efficiency as well as customer satisfaction**, we propose evaluating the following key metrics:

- Average Call Duration (ACD): This measures the average time representatives spend on each call as already researched by Ames. While shorter call durations are desirable for efficiency, excessively short calls may indicate a lack of comprehensive support.

*Target - 7 minutes for operational efficiency but the focus should also be on outliers (monthly call averages that are <2 minutes or >10 minutes)*

- **First Call Resolution (FCR):** FCR measures the percentage of customer issues resolved during the initial contact. Higher FCR rates indicate team members are efficient at problem-solving. *Target - 80%*
- **Net Promoter Score (NPS):** NPS gauges customer loyalty by asking if customers would recommend the company's products or services. It provides insights into long-term customer satisfaction. *Target - 70%*
- **Customer Satisfaction Scores (CSAT):** CSAT surveys can be captured through customer feedback on their satisfaction with the support received. High CSAT scores indicate satisfied customers, while low scores suggest dissatisfaction. *Target - 85%*. Customer satisfaction metrics are further explored in Appendix 4.

### Recommendation 3 - Changes in Incentive Structure

Considering the aforementioned re-identification of key metrics, we propose adding a certain weightage to each criterion and rewarding the representatives with variable pay based on their final performance. The score for each parameter can be gauged based on how far off it is from the company's target for that month or quarter. A sample table is shown below.

Metric	Weightage (%)	Team Score
Average Call Duration	30	15
First Call Resolution	20	12
Net Promoter Score	20	19
Customer Satisfaction	30	29
TOTAL		<b>75</b>

Total Score	Pay Adjustment (%)
90-100	10% Increase
80-89	7.5% Increase
<b>70-79</b>	<b>5% Increase</b>
60-69	No Change
Below 60	Performance Review

While Jennifer was correct in her approach of rewarding members based on their team over individual performance, we suggest it is also essential to use intrinsic motivators in conjunction with financial incentives. Keeping in mind **Maslow's Hierarchy of Needs** as well as Dan Pink's focus on **Autonomy, Mastery, and Purpose** as motivational tools, we recommend BPC:-

- Provides opportunities for team members to take on leadership roles within the call center, giving them a sense of esteem and self-actualization. This can be implemented through shuffling roles in team-building activities.
- Offer a "Mastery Award" for the team member that perfectly completes his/her training gaining technical mastery as well as communication and personality development skills essential in customer support.
- Create a "Customer Impact Corner" within the call center where representatives can spend one hour every Friday sharing stories of how their support has improved customers' lives. This practice reinforces the sense of purpose in their work.

### Recommendation 4 - Establish Clear Response Guidelines

Clear response guidelines for different customer queries are paramount given the diverse nature of customer interactions and the difference in perception of an ideal response and response time amongst the team members. Aligning with the EPO (Effort-Performance-Outcome) model, it is imperative that employees are provided with a structured framework that enables them to understand the expected level of effort for various customer queries. This minimizes time spent

on deciphering how to respond effectively. Secondly, these guidelines establish a direct link between effort and performance by setting clear expectations for representatives, making performance measurement and evaluation more precise. Lastly, these guidelines significantly influence the outcome of customer interactions, with consistent, accurate, and timely responses enhancing customer satisfaction. This, in turn, can lead to positive outcomes like increased customer loyalty, repeat business, and favorable word-of-mouth referrals. A sample of the response to different queries is provided in Appendix 5.

### **Recommendation 5 - Focus on Periodic Performance Review**

- Establish a Quality Assurance Team - The team must be focused on monitoring recorded calls, chat transcripts, and emails to assess the quality of interactions. In case costs for hiring an additional team want to be saved, peer feedback on the same can be implemented within the team. The quality criteria must be evaluated on the key metrics identified above as well as on an additional metric of satisfaction within the team.
- Feedback Sessions - BPC must schedule one-on-one feedback sessions with representatives to discuss their performance based on quality assessments. This must include recognizing and acknowledging representatives' strengths and areas where they excel. BPC can further provide specific examples of interactions as a guideline.

### **Outlook and Conclusion:**

The case draws attention to a significant challenge of cultural diversity within the call center team, specifically the contrasting approaches of American team members and Sonia Enriquez, who brings a culturally nuanced perspective. Implementation of the above methodologies in the four-member team heavily relies on comprehensive training and clear guidelines. The training shall encompass cultural understanding, technical knowledge of care products, and customer service skills ensuring each team member can deliver consistent and high-quality service. It is crucial to hold regular training sessions and revise the curriculum based on the performance rubric evaluations. This curriculum should also emphasize the recognition of customer priorities.

For operational efficiency, it is vital to stress efficient communication, emphasizing the need to keep the calls less than 7 minutes. The training session should also emphasize a concise yet effective communication strategy for maximum customer satisfaction. While Sonia values a caring and talkative approach due to her cultural background, it is essential to realize that customer needs vary. Identifying the customer's primary concern is important not only to enhance the service experience but also to save time for both the customer and the executive. Recognizing employees' contributions can serve as a key motivator for boosting their intrinsic motivation to excel. Furthermore, it will be best to eliminate the current strategy of withholding pay when time limits are exceeded. In order to improve interpersonal communication, the team can be engaged in exercises where members are randomly paired to work on specific challenges to promote collaboration and foster a sense of belonging.

Building an effective team requires more than just revisiting strategies, it requires each member's commitment to excel to ensure the highest level of customer satisfaction. All the measures outlined above aim to bridge cultural differences and improve the team's overall performance.

## Appendices:

### Appendix 1 - Problem Identification

<b>Weak Team Structure</b>
<ul style="list-style-type: none"><li>- Having a diverse team with a good mix of locals and cosmopolitan members is crucial to getting technical expertise, from cosmopolitan staff, along with local customer perspective. (Haas et al., 2016)</li><li>- However, a team of 3:1, Americans: Latina, fails to achieve this as the perspectives of Latina are sidelined and no other teammate understands her or the local culture and values</li><li>- Moreover, Latina feels sidelined and offended by the team's lack of understanding of local culture, she doesn't want to understand the technical perspective of Americans either</li></ul>
<b>Lacking Supportive Context</b>
<ul style="list-style-type: none"><li>- Cutting pay is exerting coercive power, which doesn't intrinsically motivate. (Chow, 2023)</li><li>- Cutting the whole team's pay creates a gap between each individual's performance and outcome, demotivating them.</li></ul>
<b>Team Fragmentation (Hofstede's Model)</b>
<ul style="list-style-type: none"><li>- America is a country that scores much higher than Costa Rica on masculinity and individuality in Hofstede's model. On individuality, America scores 91 vs. Costa Rica scores only 15. Similarly, on masculinity, America scored 62 vs. Costa Rica scored only 21. This difference in cultural values brings out very different styles of dealing with customers, which creates a rift among the team. (Hofstede Insights, 2023)</li><li>- This rift worsens as each individual's performance and outcomes do not match due to their teammate, Sonia, creating resentment towards her.</li><li>-As the teammates express resentment towards Sonia, without understanding her perspective and culture, she feels resentment towards other team members.</li><li>-The above-mentioned cause everyone to focus on their individual goals instead of seeing the whole picture of how both American &amp; non-American perspectives matter to improve overall team and company performance, fragmenting the team.</li></ul>
<b>No Compelling Goal</b>
<ul style="list-style-type: none"><li>- The larger picture of setting the average time limit to 7 minutes is not clarified to the team.</li><li>- Setting a goal of call time being 7 minutes and under is short-sighted, despite looking at the practical implications of it. Customer service quality is not just determined by wait times but also by the quality of conversation and customer satisfaction, which may come from longer calls at times. Thus, the goal of keeping a call of 7 minutes and under needs to be more compelling.</li></ul>

## Appendix 2 - Cross-Cultural Team Building Examples

### 1. Cultural Food Fair:

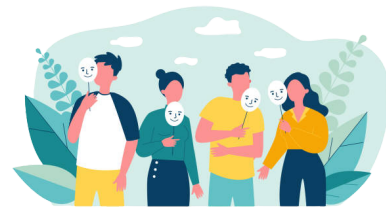
- Task the call center team with researching and presenting information about the cultural significance of food in the region they are from.
- Ask each member to prepare a traditional dish or snack from their assigned culture and share it with the entire team during a "Cultural Food Fair" event.
- Encourage team members to discuss the cultural context behind the food, such as its role in celebrations, family gatherings, and daily life.
- After the event, facilitate a discussion where team members can reflect on what they learned about each other's cultures and how this understanding can be applied to better customer interactions.



*Example:* Sonia Enriquez can share her perspective on the origin and significance of **Galla Pinto**, and its importance in the Costa Rican culture while connecting her approach to better understanding Latin American customers and how this knowledge would improve her customer support experience.

### 2. Storytelling and Role-Playing:

- Organize a workshop where team members take turns sharing personal anecdotes or stories related to cultural misunderstandings or memorable cross-cultural experiences.
- After each story, encourage team members to engage in role-playing exercises. For instance, they can reenact a situation where a cultural misunderstanding occurred and then act out a scenario where they resolve the issue more effectively.
- Facilitate discussions on the importance of empathy, active listening, and adaptability in cross-cultural interactions.
- Encourage team members to share tips and strategies for handling cross-cultural challenges based on their own experiences.



*Example:* Jill Henley can discuss situations where Sonia's approach to building relationships has benefited the company, even if it differed from the American team members' practices. Role-playing can help them understand the value of her approach in certain contexts.

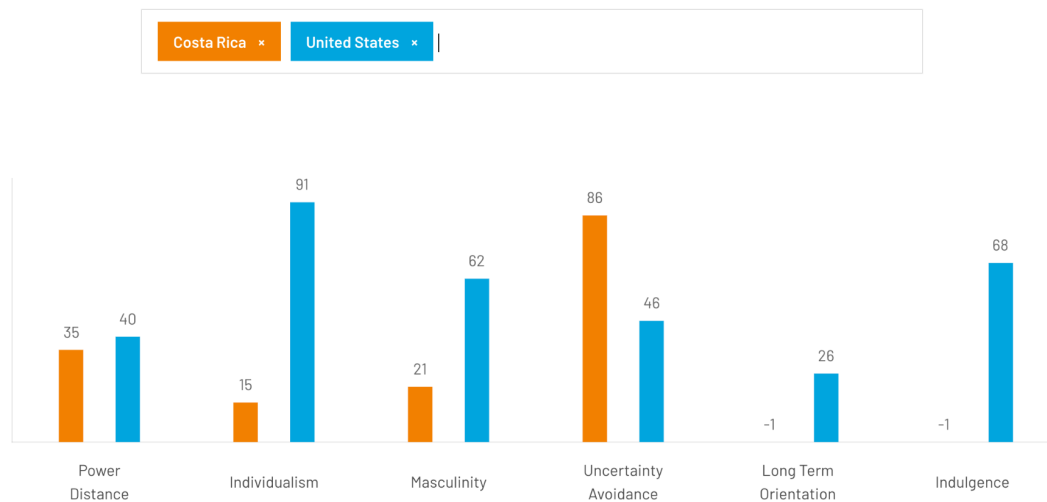
### 3. Cultural Exchange Workshops:

- Invite team members to lead workshops where they share aspects of their own culture, such as language, customs, traditions, or holidays.
- Encourage participants to engage actively in these workshops by trying out activities related to the culture being presented.
- After each workshop, facilitate discussions about the insights gained and how cultural knowledge can be applied to customer interactions.
- Rotate the responsibility for conducting workshops among team members to ensure that everyone has the opportunity to share their culture.



*Example:* Jordan Burton can lead a workshop on Southern Hospitality and explain how warm greetings, politeness and words specific to Texas people can influence his approach to customer support. Other American and non-American team members can participate actively to better understand his perspective.

### Appendix 3: Hofstede's Country Comparison



The two countries are pole opposites in all six criteria specified by Hofstede. Translated as:

1. Power Distance: Both nations display a subtle difference between white-collar and blue-collar jobs implying limited social hierarchies. The concept of social distance isn't as pronounced in either country.
2. Individualism: A lower score on individualism for Costa Rica shows is characterized by a close-knit society. The value of interpersonal relationships often outweighs individual choices, in contrast with the US with its emphasis on individual rights with a clear inclination towards individualism.
3. Masculinity: Costa Rica leans towards a feminine society with inclusivity in business and fostering a caring society. The US on the other hand has more masculine traits with proactive involvement and assertiveness.
4. Uncertainty Avoidance: High scores in this dimension display a conservative mindset and a strong need for a structural environment. Lower scores like those in the US portray liberalism and a fair degree of openness to modern ideologies.
5. Long-term Orientation: Comparatively higher long-term orientation on a global scale, the US focuses on short-term goals rather than long-term oriented plans. As for these rubrics, Costa Rica has not been graded yet presumably like most Latin American countries, Costa Ricans are farsighted in approach.
6. Indulgence: The US on this criteria scores relatively higher as an indulgent country, unlike restrained countries. More emphasis on leisure and lack of social restraints liberalizes the societal norms. Similar to the earlier criteria, Costa Rica is not scored by Hofstede yet like most Latin American Nations, they too presumably possess higher scores.

#### Appendix 4: Customer Satisfaction Criteria

<u>CRITERIA</u>	<u>EXCELLENT</u> - 5 points	<u>AVERAGE</u> - 3 points	<u>DISSATISFACTORY</u> - 2 points
RESPONSE TIME	Wait time < 2 mins	2 mins< Wait time <5 mins	Wait time > 5 mins
PROBLEM RESOLUTION	Effective solution	Partially solved	Not resolved
TECHNICAL KNOWLEDGE	Proficient	Theoretical knowledge	Beginner
APPROACHABILITY	Comforts the customer, assures them that the problem will be solved	Directly goes to the problem without considering customers emotional quotient	Too straightforward or a little harsh on the customer
EMPATHY & UNDERSTANDING	Asks the right questions and understands the customer's problem in one go	Takes time to understand the problem	Impatient, leaves the customer hanging and moves to the next call
FIRST CALL RESOLUTION	Yes	Repeated Calls	Unresolved after 2 calls
CALL EFFICIENCY	Short call and problem resolved	Long call and problem resolved	Unresolved
FOLLOW UP	Within an hour, the customer responds positively	Within an hour, the customer is still facing problem/new problem came up	Delayed follow up and unresolved problem



## **Appendix 5 - Sample Response Guideline**

**Query:** A customer from Mexico calls to inquire about the benefits of BPC's neonatal heart and breathing monitors for premature infants.

**Response:** "Thank you for your inquiry. Our neonatal heart and breathing monitors are renowned for their reliability, accuracy, and potential life-saving capabilities. They provide continuous monitoring to ensure the well-being of premature infants. You can also find detailed demonstrations of their use in our online video library, available on our website. If you have any further questions, please don't hesitate to ask."

**Query:** A customer from Costa Rica contacts BPC regarding a technical issue with a phototherapy device.

**Response:** "I'm sorry to hear about the technical issue you're experiencing. To assist you, please provide me with specific details about the problem. In the meantime, you can check our online video tutorials, which often offer solutions to common issues. I'll do my best to help you resolve this matter promptly."

**Query:** A customer from Argentina seeks information on BPC's warranty and after-sales support for phototherapy devices.

**Response:** "Certainly, I'd be happy to provide you with information on our warranty and after-sales support. Our phototherapy devices come with comprehensive warranty coverage. For a detailed explanation of our warranty policy and guidance on seeking support, I recommend visiting our website. Everything you need to know is available there, ensuring you have all the information you require."

**Query:** A customer from Colombia expresses dissatisfaction with a recent purchase and requests a return and refund.

**Response:** "I'm sorry to hear about your dissatisfaction with your recent purchase. We understand your concern and would like to assist you promptly. To initiate a return and refund, please visit our website, where you'll find a step-by-step guide on the process. Rest assured, we'll do everything we can to expedite this for you."

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