

Stop the Madness!

*Finding the Right Measures
to Raise Performance*

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Everything is so easy to measure in contact centers that it's easy to understand why so many things get measured. Some of the measures du jour are merely passing fads while others indicate important trends worth noting.

On which of these myriad measures should contact centers focus? That question can be difficult to answer as the pendulum swings from one measurement favorite to another. This article will focus on those measures that are here to stay—the ones that will have the greatest impact on driving contact center performance improvement now... and in the future.

The three key measurement areas to be examined are quality assurance, first-contact resolution and revenue generation. Specifically, this article will look at each area to dispel what currently exists and to recalibrate the measures and processes for optimal success.

Quality Assurance

There was a time, not long ago, that call centers predominantly focused on achieving productivity gains and little else. Customer satisfaction rates dipped to dangerous levels and attracted the attention of senior executives who were struggling to maintain market share and grow customer share of wallet.

So began the era of quality assurance (QA) with its pure intent of focusing on the customer experience. However, few in the industry have done an exemplary job of focusing on the total customer experience, even though the infatuation with QA has become somewhat of an obsession—complete with armies of “listening teams, QA departments and gut-wrenching guilt” over whether the contact center is monitoring fewer calls than the benchmark average.

SQM has found that the amount of call monitoring has increased 33 percent in the last 18 months. At the same time, customer satisfaction with the transaction at the contact center has remained static, holding at 67 percent of customers rating their experience as “very satisfied.”

When looking at the best performing contact centers across North America—those who earn ratings of more than 80 percent customer satisfaction—SQM found that they do no more or less call monitoring than the average performer. Therefore, the conclusion that has to be drawn is that there is no direct linear relationship between call monitoring and customer satisfaction. To put it more simply, the industry’s knee-jerk reaction of monitoring CSRs more in order to increase customer satisfaction is clearly an inappropriate assumption to make.

The key lies in *how* monitoring is done and what is done with the information. The most notable and problematic weaknesses with today’s methods include:

- **Monitoring isn’t fair.** Even with the best intent, those who are attempting to evaluate and measure the customer’s reaction to a particular transaction will add in their own organizational bias. It’s inevitable and almost impossible to do otherwise. To illustrate, a CSR may actually have delivered what the customer needed and delivered a “very satisfied” customer experience. However, internally, because the documented call flow was not followed, the evaluator would give the CSR a “less than

satisfied” call rating. It would be more reflective of the call if there were a rating on the customer’s experience, and also a rating on the organization’s needs (e.g., accuracy, call compliance, etc.). Ultimately, this

dual evaluation system is where organizations need to go.

- **Monitoring isn’t focused** on what’s most important—satisfying customers’ true needs. Theoretically, it is; however, in the current push to-

SIDE BAR 1

Monitoring + Focused Feedback Coaching = Results

Assuming your contact center is measuring the right things, the only way to truly improve performance is to coach to the results you seek. Some organizations make the mistake of monitoring without coaching, expecting agent performance to improve just because they are being monitored.

Monitoring without coaching is like having a rowboat without oars. The likelihood of achieving your desired result is slim. Organizations that use coaching to achieve improvements typically follow a simple four-step *Focused Feedback*[™] coaching process:

- ▶ They provide timely coaching immediately after the call.
- ▶ They focus on one pivotal behavior to ensure the greatest impact.
- ▶ They provide constructive feedback.
- ▶ They provide the feedback quickly, which means in 60 seconds or less (this can be done—with the right method).

Everyone in the center who coaches performance follows the same coaching process. Consistency is vital. At the heart of this process is something called *Focused Feedback*[™], which is specific and targeted based around one “pivotal” behavior that has the greatest impact on the outcome of the call. It assumes that, too often, coaches overwhelm their representatives with too many behaviors to change all at once, instead of focusing on one pivotal behavior that can change the outcome of the call.

Here’s what it sounds like. Let’s say the coach monitored a call where the representative missed a sales referral opportunity. A typical coaching response would be, “*You missed the opportunity to sell the customer an additional service.*” While this feedback seems specific, it does not connect the impact of the representative’s behavior to the outcome of the call or offer a better alternative.

Instead, coaches should focus on where the representative missed the opportunity or the pivotal behavior, saying, “*I’d like to share an idea that has helped others improve sales by building a product need from what customers offer in the conversation. The customer said their daughter is going away to school and they didn’t want to drain their savings. When hearing the clue that the daughter is going away to school, it suggests that the customer might need a school loan or a line of credit. By not picking up on this, we were not able to offer the customer valuable choices.*”

Then coaches offer very specific suggestions for the future, saying, “*Next time, when you hear this clue, ask a question such as ‘You mentioned that your daughter is going to college and you were concerned about draining your savings. May I share some alternatives that other parents have found helpful to fund their children’s education?’ As you focus on these types of clues, you’ll find it will help you pose the questions that best address the customer’s needs. Give it a try. I’ll check back with you tomorrow to learn how this suggestion worked for you and answer any other questions you might have.*”

By engaging in this process, the coach gains commitment from the employee to continue or alter a particular behavior in future interactions. Employees should be able to clearly and easily identify the one behavior that makes the difference. If they can’t, coaches know they didn’t provide focused feedback.

¹*Focused Feedback*[™] is the coaching model featured in Ulysses Learning’s *Coaching-Mentor*[®] which is a part of the Ulysses *CallMentor*[®] sales, service and coaching training system.

ward revenue generation, the “true” needs of the customer—such as first-contact resolution—are often overlooked. Monitoring today is more focused on the organization’s need to cross-sell and less focused on the customer’s need to have their inquiry resolved.

- **Monitoring isn’t used to its full effect.** Ultimately, the rationale for using call monitoring is to be able to positively affect performance. Yet many contact centers operate under the false notion that the act of monitoring and collecting data alone will bring them positive change. Wrong. That’s only one part of the equation. Contact centers must do something with the data collected.

Coaching must go hand in hand with monitoring. Agents must receive feedback—on what’s working and what’s not—so that they have an opportunity to maintain, improve or change their performance. How the feedback is given is equally important. Even those contact centers that are providing ongoing feedback to their agents are probably not using it in the most powerful way. For the most part, coaching feedback:

- Is usually not provided immediately after the call (when it’s needed most);
- Is inconsistent, as approaches vary from coach to coach and agent to agent;
- Is focused on a shopping list of improvement opportunities rather than the one behavior that will have the greatest impact on the call; and
- Takes too much time to provide (and, therefore, is often not done).

Recalibrate QA Practices for Success

The best performing call centers are those that have taken pains to:

- Distinguish between the needs of the organization and the needs of the customer—even separating the QA form into two parts—and meet these two distinct needs.
- Calibrate the pieces of the QA form where the focus is on the customer experience with actual feedback from the customer. In other words, the things that matter most to customers are also measured and weighted most highly in QA.
- Supplement, or even displace, the customer experience portion of QA with feedback directly from the customer at

the CSR level. This practice is rare and revolutionary.

- Install a coaching process that cures the “evils” of most processes currently in place in contact centers across North America (Sidebar 1).

First-Contact Resolution

The new buzz in the marketplace says the goal of achieving customer satisfaction is not enough for businesses today. The nirvana goal should be “customer delight,” defined as a level of loyalty that leads to repeat buying. While this is a certainly a laudable goal, sadly, most businesses aren’t ready to jump to customer delight.

To delight customers, businesses first have to satisfy them. What drives their satisfaction with the transaction is twofold; they got what they needed the first time they called, and, they received it in a timely manner. Customer satisfaction is driven by first-contact resolution.

Sounds simple enough. It means that if a call is transferred to another representative, yet still results in resolution, the customer considers this call resolved on first contact. Further, first-contact resolution has to be determined by the cus-

SIDEBAR 2

Rev-Up Rep Judgment Skills

Given the right information required to address customer needs along with the authority to make decisions within parameters, representatives with good judgment skills—decision-making and interaction skills—are your best bet for improving first-contact resolution.

On the service side, representatives with good judgment skills know how to take control of the call, focus on the customer, get to the root of the problem, come up with appropriate solutions and solve the problem—all on the first call. This drives customer satisfaction. Plus, they accomplish these tasks in a very productive and time-effective manner. This drives company satisfaction.

On the sales side (especially inbound sales), a representative with good judgment skills knows how to assess the customer’s interest or resistance, clarify the customer’s need, provide solutions and gain agreement. When this is done effectively, the customer feels good that the representative solved their

problem and provided them additional options that they were not aware of. And, of course, the company feels good because not only did the representative resolve the customer’s inquiry on the first call, they either sold or opened the door to sell additional products or services that the customer needs and didn’t know about.

In both these examples, you’ll notice that at the heart of exercising good judgment, representatives are balancing customer needs with company needs. Striking this balance can be tough, making judgment skills among the most difficult performance skills to develop.

One of the only true ways to learn judgment skills is by doing. Many organizations have found value in using simulation-based e-learning to develop judgment skills because it’s one of the only methods where representatives can learn by doing in a safe simulated environment where customer relationships are never at risk.



tomer who called and no one else.

According to recent research by SQM, the average first-contact resolution rate is 67 percent. Put another way, this means that 33 percent of total call volume is unnecessary—driving huge cost into the business, deflating customer satisfaction, placing unnecessary stress on employees, and more. Remember, to delight more customers, contact centers need to satisfy more customers, and to satisfy more customers they need to improve their first-contact resolution rate.

So what's the best way to improve the first-contact resolution? Focus and understand its three main drivers:

- Agents armed with the right information to serve customers;
- Parameters in which agents can make appropriate decisions (and the authority to make those decisions); and
- The skills to make good judgment calls or decisions within those parameters.

The need to arm agents with the right information to serve customers is straightforward. Contact centers have come a long way in delivering information to agents at their desktops. This information includes data on customer account histories, buying preferences and propensities, as well as company processes, procedures and products.

Next, there's the need to give agents parameters in which to make decisions and the authority to make those decisions within the parameters. For anything outside the parameters, agents check in with their supervisor or manager, but within the parameters, they are empowered. Few can argue with the logic of this, as nearly everyone has experienced how empowered employees with the authority to make decisions can dramatically reduce escalated call volume. Plus, it gives representatives options.

Finally, within the parameters provided to agents, a contact center needs representatives skilled in exercising good judgment. Good judgment skills include decision-making and advanced interaction skills needed to implement those decisions at the point of customer contact. (See Sidebar 2.)

From a measurement standpoint, what is needed most is to focus on first-contact resolution—creating a target for it, overall and by call type, and driving a culture around it. A cultural shift to fo-

cus on first-contact resolution—as defined by the customer, with accountability at the CSR level—will radically shift the contact center's business. The company will realize:

- Improved customer satisfaction because first-call resolution drives customer satisfaction;
- Reduced operating costs due to reduced incoming call volume
- Improved revenue generating opportunity by *earning* the right to sell; and
- Improved employee satisfaction because employees really don't like the calls to come back, nor do they like handling the same angry customer again.

Revenue Generation

Selling is good servicing – but to get there requires more than a script change. The corporate agenda to generate revenue from the contact center is ubiquitous. Few have escaped this mandate. Yet few have cracked the code on increasing sales productivity and profitability while maintaining high levels of customer- and employee-satisfaction. Getting this equation right is a strategic imperative.

In the 20-plus organizations that SQM studied that had made a transition to an inbound sales culture, customer satisfaction fell from 65 percent to 57 percent. More significantly, employee satisfaction fell from 38 percent to 28 percent. For many contact centers, the problem begins with manager and employee “sales” mindsets, which are heavily influenced by the firm's senior executives.

If employees view their role as product pushers, the sales culture will falter. If, on the other hand, they view the selling process as an important influencer of customer satisfaction and ultimately delight, the culture will flourish. This transition to a “sales is service” culture is one that takes time. From the representative's perspective, they often just see that the rules of the game have changed—when they joined they were valued for their service skills, and now they are only valuable if they are reaching the set revenue quota.

To achieve a center's revenue generation goals, it's important to start with the right strategy: a customer-centric approach that balances sales and service with a special focus on handling the customer's inquiry the first time. In other words, your contact center and

your agents have to earn the right to sell by focusing on resolving the customer's reason for the call *before* they transition to a sale.

For the evolved contact center, revenue comes from focusing on quality and providing customers with stellar service—with sales as an outgrowth of service. Representatives have to view their roles as providers of value-added solutions that address customer needs, not as telemarketers pushing products.

Once the right strategy and mindset is in place, it must be supported with the right training. And here is where many contact centers fumble. Most of the sales training currently in place helps them drive revenue, but it also drives customers away! This is because the training is more aligned with product sales rather than sales that come from good service.

Also, the sales models featured in these programs don't reflect the realities of selling in contact centers. Many of these models were developed for face-to-face selling and, as contact center executives have found out, they just don't work.

Any contact center sales training designed to drive high levels of revenue with high levels of customer satisfaction needs to feature an adaptive, flexible sales model. Such a model helps representatives develop and apply certain core skills based on being able to tune in to a customer's true interests and concerns.

The training should also help representatives develop more natural selling styles. This means building skills that allow representatives to easily move forward and backward in the sales call, develop the relationship, identify and build the need and gain agreement based on the customer's readiness or resistance. Unfortunately, much of the training in contact centers today follows scripts or sales models that are one-dimensional and usually result in dissatisfying customers (because they don't address their real needs or concerns) and focus primarily on the company's interest in pushing products and services regardless of the customer's interest.

So from a measurement standpoint, first-call resolution may ultimately prove to be one of the best ways to gauge the total effectiveness and value of your contact center. CP

About the Author...

Mark W. Brodsky, President and CEO of Ulysses Learning, is known for his straight talk and keen insights into simulation-based e-Learning and industry trends affecting organizational profitability and growth. A popular speaker and author, Mr. Brodsky is also highly regarded for his ability to separate fact from fiction and provide fresh, innovative solutions for demonstrable improvement in sales, service and coaching performance.

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About Ulysses Learning...

Ulysses Learning (www.ulysseslearning.com) partners with leading global organizations who want to achieve measurable and sustainable results in sales, service and coaching using the most effective methods available – Ulysses’ simulation-based e-Learning, intelligently blended with facilitation, coaching and performance consulting.

Ulysses has received the contact center industry’s *Product of the Year* award for each consecutive year since 1997 and is the recognized leader and pioneer in the use of simulation-based e-Learning to improve service, sales and coaching performance. The company is known for building Judgment@Work™ skills – decision making and advanced interaction skills – in contact centers and at all points of customer interaction throughout the organization for financial services, insurance and telecommunications leaders.

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