Chapter Two:
Call Center Metrics

Change Management

For improvement to occur, a base-camp of product and process knowledge is essential. In the introduction, we discussed the need for strategic and tactical correctness, consistency, and capability**.** These are the three Cs that form the foundation of your call center. We call this the Walkabout® base-camp, and it provides the essential elements for an effective organization. In a correct, consistent, and capable call center operation metrics provide the means for improvement.

First, metrics must tell the story of the call center. We will need special tools for the tactical job of noting change. We will also need strategic tools for assessing the impact of every change. Our method for improvement is called change management.

Call Center Decisions

The second principle states that *the Division of Labor is the framework for all aspects of decision-making. It must be clearly understood to separate the policy, strategic, and tactical decisions. Operations makes the tactical decisions of running the facility. Management makes the strategic decisions of assessing the facility's suitability for the job. Executives make the policy decisions of providing the vision for the business.* We must understand Division of Labor to know what information to provide in the call center.

Division of Labor includes the three types of decisions: policy, strategy, and tactics. Each are fundamentally different and require different report formats, but all three must be linked into a cohesive package.

Policy defines the business vision and how the business will treat customers and users. This serves as the starting point and all decisions must support the policy vision. The call center will make strategic and tactical decisions only, but they still must support the policies.

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The two types of call center decisions, strategic and tactical, require fundamentally different types of information. Operations, making tactical decisions, requires one type of metric reporting while the call center manager, making strategic decisions, requires a different type of metric report. The two metric reports (tactical and strategic) also work together as a team. The following table is a recap of Division of Labor.

	Division of Labor	
	Operations	**Management**
Accountability	The correct and consistent running of the call center facility	Finding customers who will buy our products
Responsibility	Running the scientifically engineered provided call center facility correctly and consistently	Providing the call center facility that will produce what the customer wants and meets the policy vision of the business
Functions	Detect changes	Assess the Impact of changes
Missions	Control	Capability
Decisions	Tactical	Strategic
Who	Agents, Supervisors	Call Center Managers and Directors

Call center managers make several kinds of strategic decisions including which resource to use, when to use the resource, and where to use the resource. Strategy, for our context, is planning and providing the correct resources at the correct time and at the correct place. Strategic personnel should be held accountable for developing a plan to meet our needs. They must determine what kind of facility will meet the company's needs and then build it. The strategic personnel should be held accountable for how well the facility they provide meets the company's needs.

Agents and call center supervisors make the tactical decisions for running the provided facility as correctly and consistently as possible. The proper term for their efforts is control. When we say that we are "in control," we are only talking about operational issues. The term in control means that the facility is running consistently. When we understand the concept of control, we realize that the objective of operations is the correct and consistent running of the currently available and existing facility. Operations must keep a focus on the

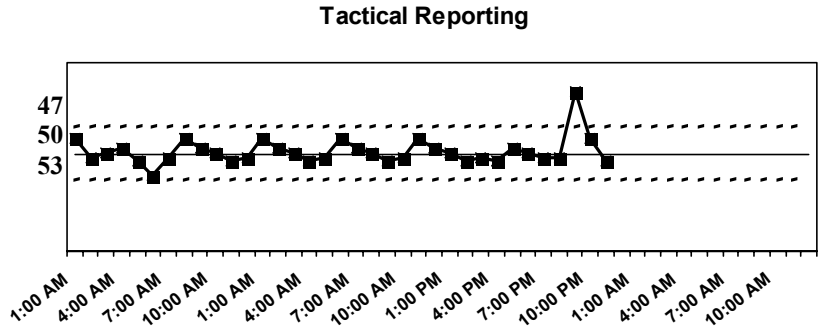
tactical needs by making tactical decisions and conducting tactical analysis.

Clearly then, we must have tools available to us to measure the call center facility's unique metrics both strategically and tactically.

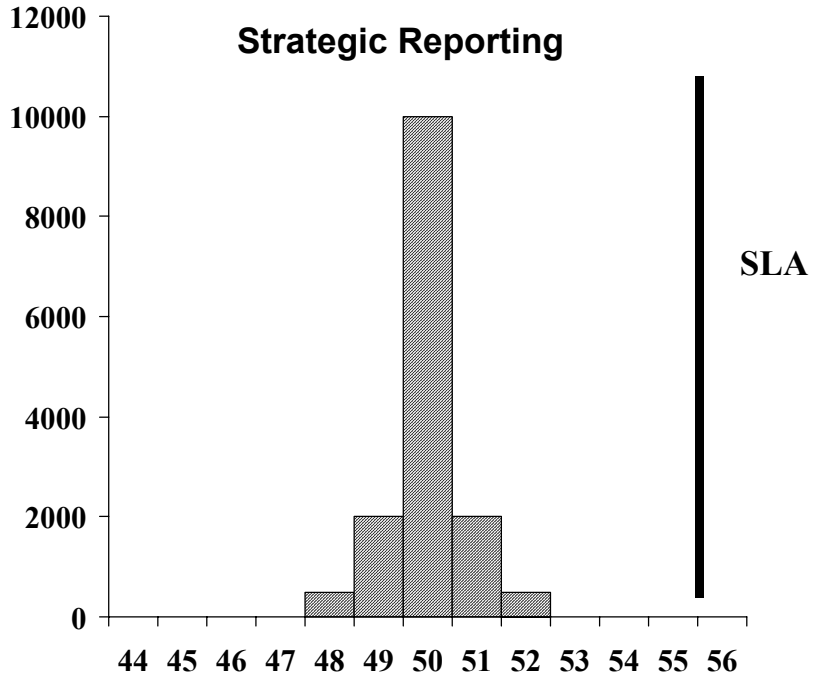
Call Center Metric Report Format

A standard format makes reading the story of our call center simple and easy. One format is used for tacticians and a second format is for the strategist.

The tactical reports that detect change are time-oriented charts as shown below. The tactical personnel detect changes using this chart.



The strategic reports that assess each change are called capability studies. This report uses the data from the tactical charts to assess the facility's capability when run correctly and consistently by the tactician.

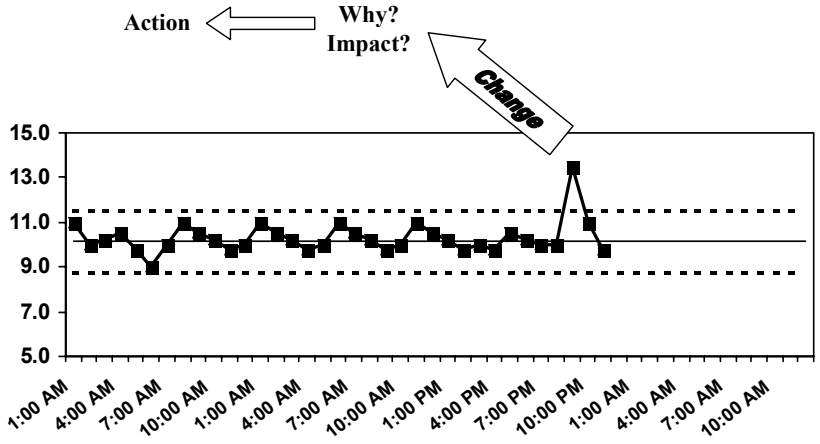


Having a standard format for metrics makes their use much easier. A supervisor or manager can move, migrate, transfer, or be promoted, and still know the reporting method.

Tactical Reports for Running the Call Center

In a call center calls are constantly coming in. The reporting format called control charts was designed to track these situations. Control charts are used to monitor the operation and to detect when a change occurs. Control charts provide the mechanism to determine whether a particular metric is consistent. They could also be called "consistency charts," "change detectors," or "cause detectors." A control chart functions as an alarm system to alert us to changes and deviations. Changes can take the form of either improvements or deterioration of the process. Control charts cannot identify whether change is improvement or deterioration. A control chart's mission is very specialized-- to identify change.

When a control chart detects a change, two things must happen before action can be taken. First, the tactician must do research as to the cause of the change. Second, the strategic decision-maker must assess the impact of the change on the center, callers, and our service. With this information in hand, a decision as to a course of action can be made.



Control charts are operations tools for the supervisor or agent, they are not reports for management. Service Level Agreements, SLAs, are wonderful tools for strategic decisions. Since SLAs are strategic in nature, they *never* appear on a control chart. Control charts are for the tactical decisions of tracking the consistency of the call center metrics and for detecting change. Control charts must be used in conjunction with the strategic reports called capability studies.

Strategic Reports for Assessing the Call Center

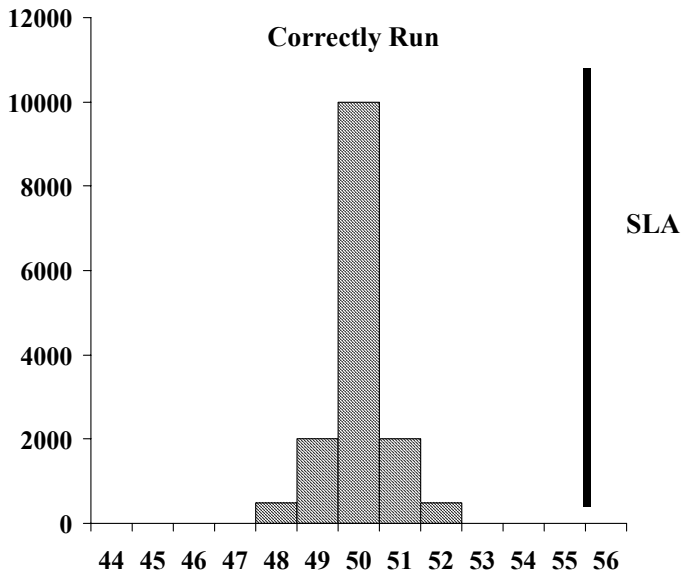
Capability studies assess how well our call center matches what the customer wants. These studies assume the call center metrics are in control.

When we understand the concept of capability, we realize that the objective of management is to assure that we are providing a facility that can make the product or provide the service that the customer wants. Management must find the means or facility to supply operations. Strategic decisions are categorized as defining and obtaining the

appropriate resources, and then determining when and where to use them.

Management uses strategies and strategic decisions to continually evaluate the adequacy of the facility for making what the customer wants. This strategic decision is based on the information provided from the capability study. If the facility is not capable, a strategic decision must be made concerning a proper course of action.

This is an example of a capability chart. Use a graph like this for management reports.



Determining the facility is clearly a strategic function. Strategic decisions involve defining and obtaining appropriate resources and then determining when and where to use those resources. The capability study gives management the information it needs to make appropriate decisions.

Strategist and Tactician Working as a Team

Strategic and tactical roles are very different but they must work in harmony and trust. Understanding who is responsible for each task is key to a successful organization. If a supervisor tries taking on every role, he risks not being successful in any role. Violating the second principle by compounding the responsibilities of management with those of operations, leads to chaotic decision-making.

When both strategic and tactical personnel understand and do their jobs, they form a team. The proper support metrics must come together to build a finely honed partnership that allows for good, effective, clear decisions.

Many companies are frustrated because they never see results or improvement. They don't see gains and they wonder why the metrics have failed to yield results. Actually, the answer lies in they way they have used metrics—in particular, the way they have used SPC. The best format and reporting techniques monitoring the wrong things will not yield the desired improvements. Proper technique monitoring the right study areas is required for metrics to work.

Metrics Must Tell a Story

When you read a short story, article, or book, you are told a story by the author. Effective stories paint a vivid picture of what the author is visualizing. Authors have a style that they use in their writing, and an outline that ties all the points, issues, and story line together. Like any good author, we must develop a style and have a call center outline. Then our call center metrics will tell the story for our decision-makers.

The style that we will use is called Statistical Process Control or SPC. This style of "writing" is composed of two reporting methods--control charts and capability studies. This style will give us a common format for preparing all of our metric reports. The call center outline will be in the form of a schematic called the Walkabout® Metric Blueprint.

With the style and outline working together we can tell the story of our call center.

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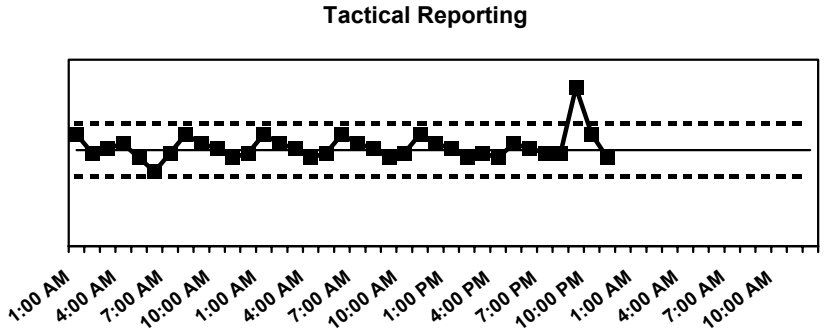
Common Format

The common style or format is composed of a strategic component and a tactical component. These two components must work together in a timely and disciplined fashion.

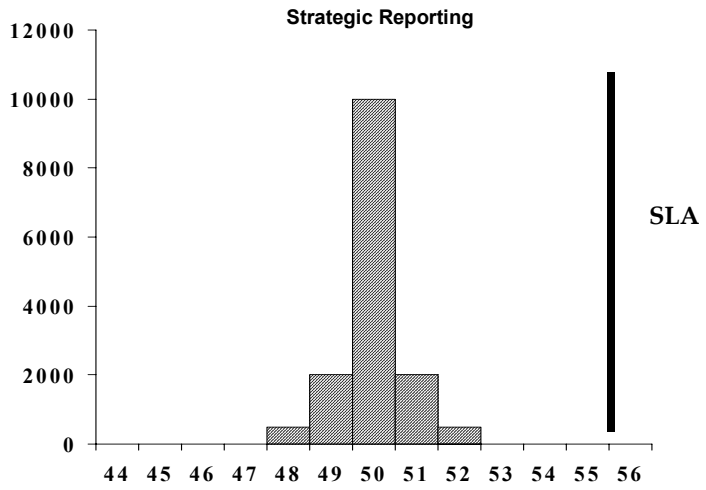
Tactical reports are called control charts. They support the tactical decisions of correctly and consistently running the facility. The chart alerts the tactical decision-makers as to a change in the profile of the call center metrics. Remember, change can be either an improvement or deterioration. A control chart's horizontal axis is a time sequence presentation, while the vertical axis is the metric unit of measure.

This is an example of a control chart.



When a change is detected, as shown above, the tactician should determine the cause and alert the strategic decision-maker that a change has occurred.

This is an example of a capability chart.



The strategic reporting is called a capability study and it is presented in the form of a histogram. The horizontal axis is the metric unit of measure while the vertical axis shows the number of occurrences. The strategist must use this tool to assess the impact of the change on the call center.

By having a standard format, personnel migration from area to area requires no retraining in how to read a report. With both metric formats working together we can fully understand the metric. Now we need to understand it in context with all the other metrics in our center. This total understanding is where our call center outline, called a Walkabout® Metric Blueprint, comes into play.

Good Metrics Misused

A "reactionary" approach means that we begin our causal research only after a change in the product has been identified or customer complaints have been noted. Said another way, we are reacting to the problems after they occur. Focusing on results allows defects to be made, thus driving cost and delays up. This is a misguided approach that I refer to as "Statistical Biscuit Control" or SBC**.**

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In my book, *Optimize Your Operation*, I told the story of my mother learning the art of biscuit making from my grandmother. Grandma was an accomplished biscuit chef. She knew to adjust the oven as the biscuits were baking to ensure a perfect product every time. However, if my grandmother had used the SBC approach, she would have waited for the biscuit control chart to alert her that the biscuits were burnt. There would be many burnt biscuits and unhappy family members as my grandmother reacted to the control chart for each batch.

The reactionary approach waits until the product has shifted before any action is taken. In our story, the number of burnt biscuits determined all decisions. In a call center setting burnt biscuits are analogous to tracking and responding to customer complaints. Developing a metric blueprint is the first step away from poor, reactionary decisions.

Outline

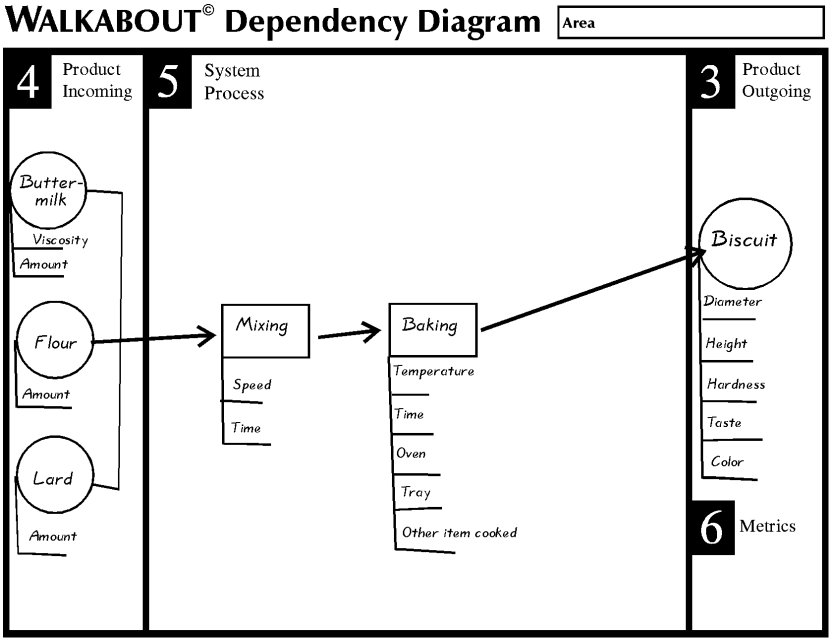
A few authors have the natural ability to just start writing words, sentences, and paragraphs, with the story flowing off their pens. The rest of us require a plan as shown through an outline. This outline paints the picture that we want told in our story. Similarly, the call center metrics need to tell the call center's story. The Walkabout® Metric Blueprint is our outline. The metric blueprint provides a guide for process sequence, upstream and downstream causal dependencies, key metrics, and target settings.

The first Principle of Process Management explains the interconnection between the product and process. *A fundamental understanding of BOTH the product and process is essential to improvement. Both the product and the process must be described and understood individually and separately. The underlying component for improving the product is the process.*

The Walkabout® is a schematic of the call center depicted through a dependency diagram.

Grandma's Baking Outline

The chart below is the Walkabout® Dependency Diagram for baking Grandma's biscuits. The dependency diagram shows the sequence of activities.



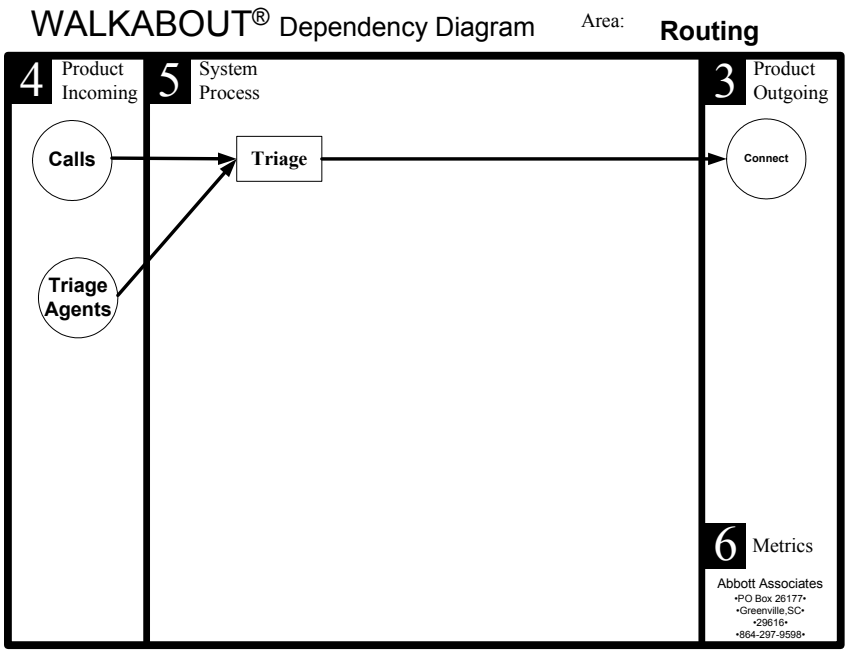
The dependency diagram is shown with circles for the products (think of biscuits) and rectangles for the processes (imagine an oven for baking). The schematic shows the sequence in which each activity occurs. This picture makes the learning process easy. Hanging from the products and processes are legs that have the metrics that we will want to study. The dependency diagram and the metric legs form the blueprint.

The Walkabout® describes the dependencies and defines the metrics. With the Walkabout® in place, we have a tool that will give us both a short and a long-range plan for metrics. Now let's develop call center Walkabouts® and see how they are used for each of call center type.

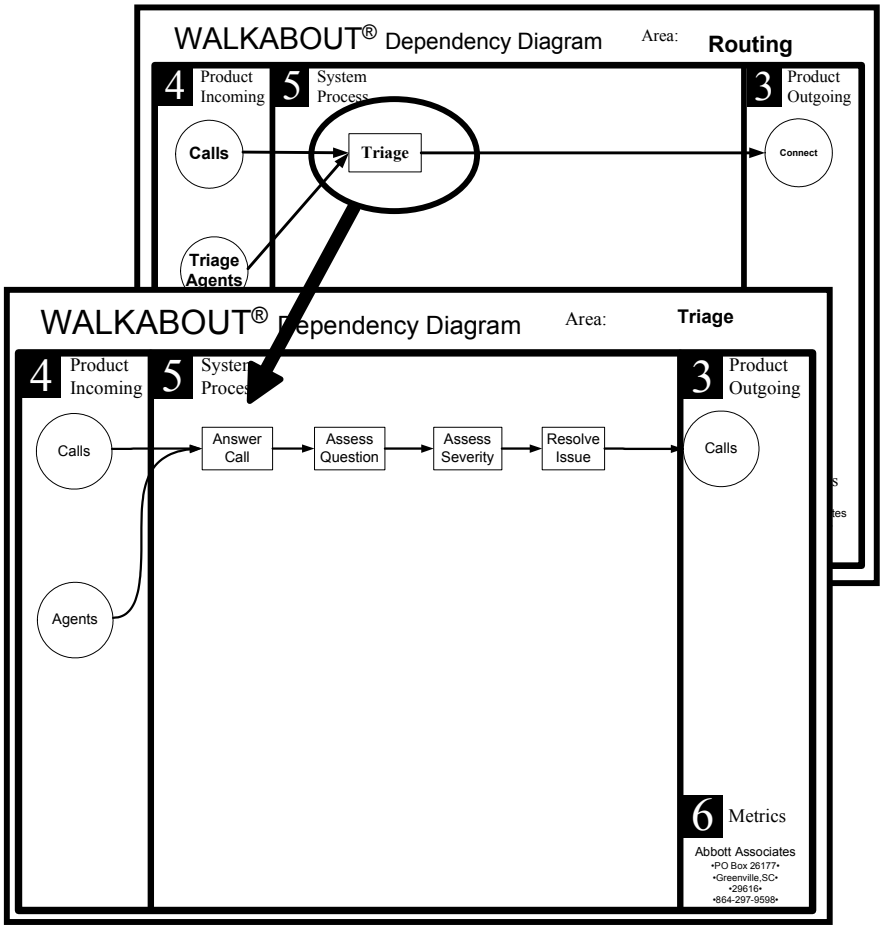
Telling the Call Center Story

The call center story is first told at a high level using an umbrella Walkabout®. The following diagram is the umbrella Walkabout® for a routing call center, showing its one major activity called triage.

Metrics must include those that are done manually by a person as well as those that have been automated. The automated triage will include call director, ACD, and IVR. Automated functions need metrics for a clear understanding of how they are performing. Metrics are just as crucial for automated tasks and processes as for those that people are doing.

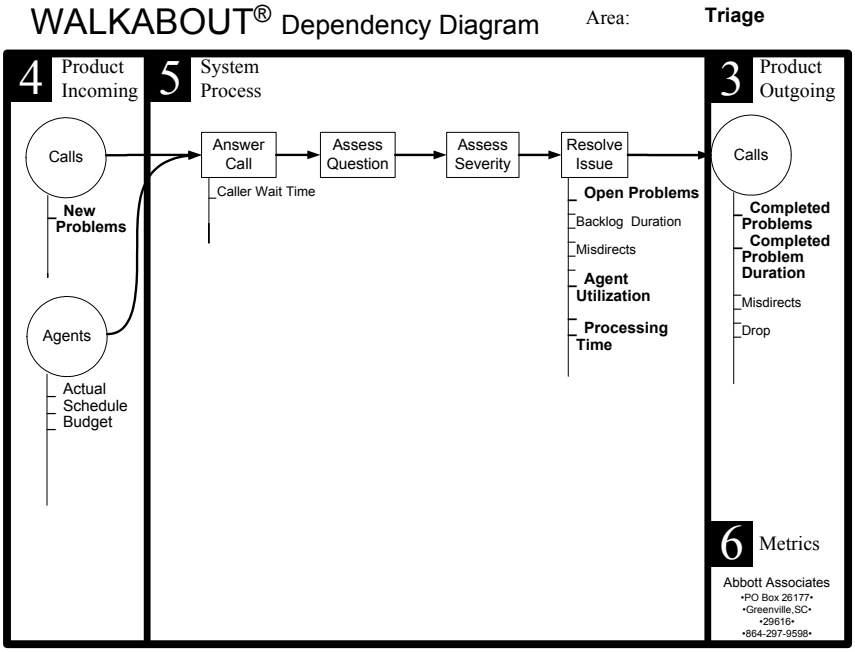


The umbrella Walkabout® must expand to accommodate each major function. This routing center only has the one function of triage. For each triage activity we draw a box to identify the process step. The first process is "answer the call" so we draw our first box. The second step is to assess the question, the third step is to assess the severity, and the final step is to route the call to the appropriate area. Each of these areas is drawn on the diagram. This schematic shows the sequence of events. A possible companion to this dependency diagram would be a clearly defined script if it is a person doing the routing.



This dependency diagram defines the correct method.

Next we add the metrics that we would view as important for running the call center function. Whether we can actually obtain the metric measurement is not the issue. This identifies what metrics are needed to run our call center effectively.



This diagram is the triage Walkabout® with the metric blueprint added.

We have covered the umbrella Walkabout® and Walkabout® for the routing call center. The notification and call management center types are similar to the routing center with a few minor differences. Let's explore the differences so that we can use the same Walkabout® for all three call center types.

The routing call center makes immediate or "hot" call transfers to the appropriate person. The difference between the routing and notification center is how the transfer is made. The routing center is a hot transfer while the notification has a time delay for the transfer. The notification center is the same as the routing center with a method for holding notes during the call time delay.

The call management center type adds a tracking aspect to the routing center. The call management center not only transfers the call but also follows the progress of the call status to make sure that the call is handled in a proper manner. Think of a 911 operator staying on the line even though the police have been dispatched. The call management center adds an additional requirement of a tracking system for noting all the activities and transactions associated with the call.

With these differences noted, the three call center types can be grouped together into a triage function shown in the umbrella Walkabout®. The detail Walkabout® and metric blue print defined for the routing center type can also be used for the notification and the call management center types.

The triage metrics to include are the number of calls opened, the number of calls closed, the length of time actually processing the call, how long the call took to resolve or its duration, agent utilization, the number of calls still open, and the time the open calls have been open. These key metrics should be viewed as the minimum to get started and clearly this must be customized to your center.

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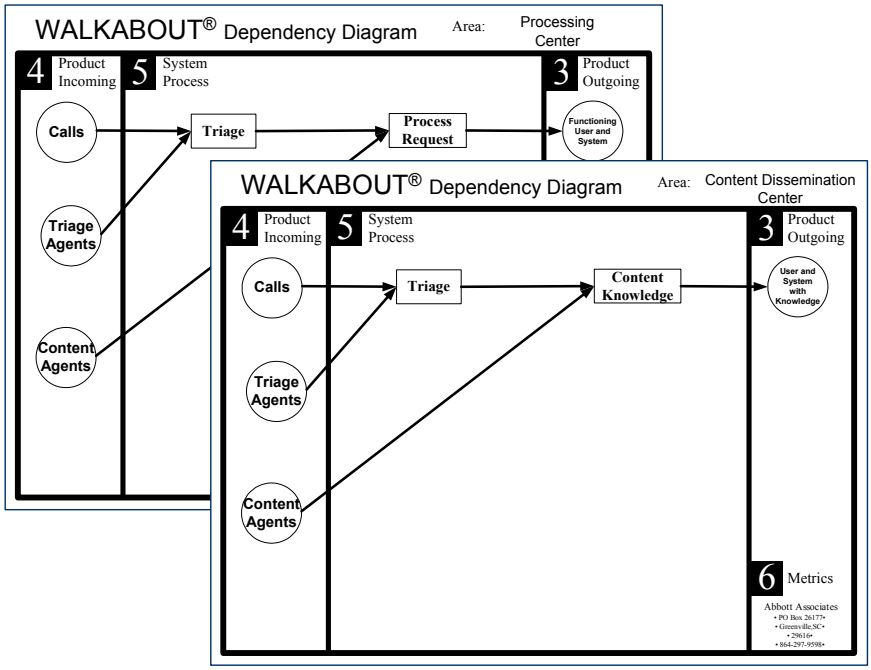
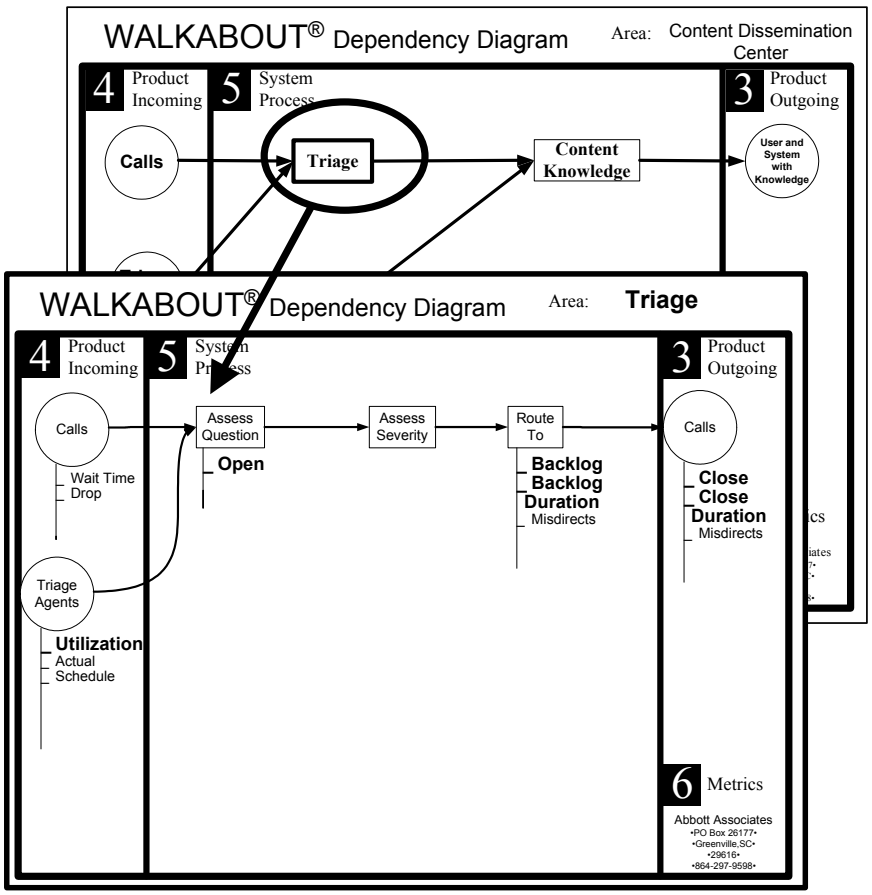
The following two diagrams are the umbrella Walkabouts® for processing and content dissemination centers. Processing centers typically deal with information coming in. Content dissemination centers typically distribute information in an outbound direction. The processes are very similar as the following Walkabouts® show. Since the two centers operate so similarly, we'll just construct the Walkabout® for the Content Dissemination Center.



The Walkabout® below shows the processes steps and the metric blueprint for the triage phase of the content dissemination center.



The key metrics discussed earlier, customized to your center, should be viewed as the minimum to get started.

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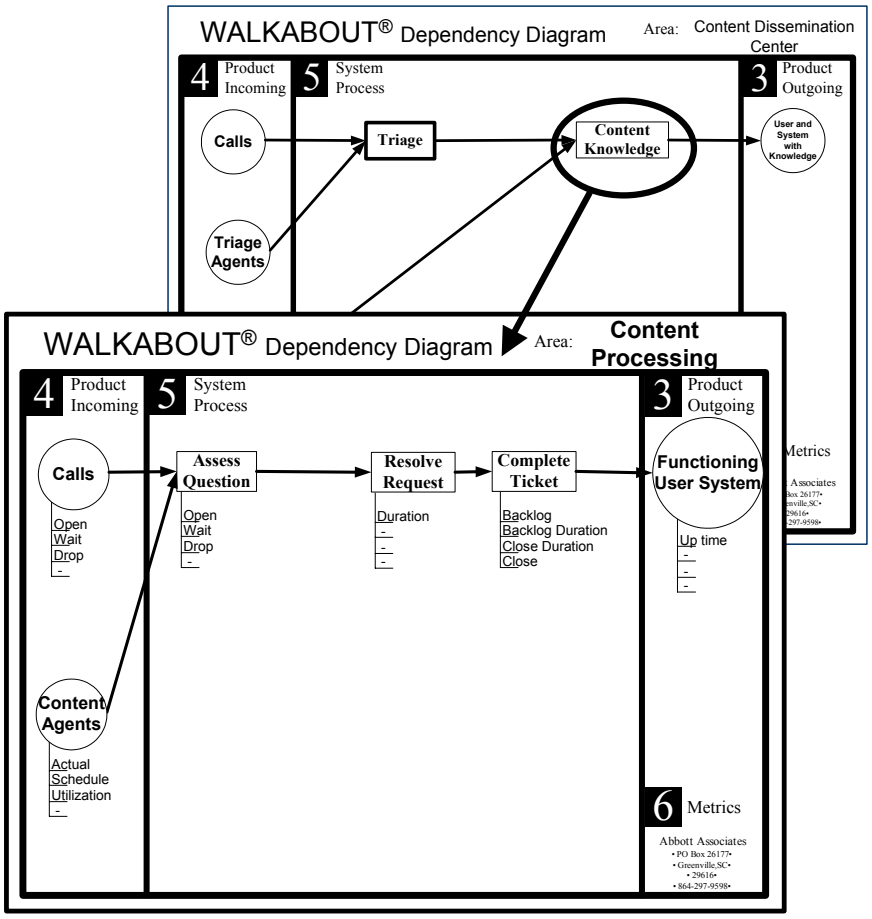
The Walkabout® below shows the processes steps and the metric blueprint for the content phase of the content dissemination center.

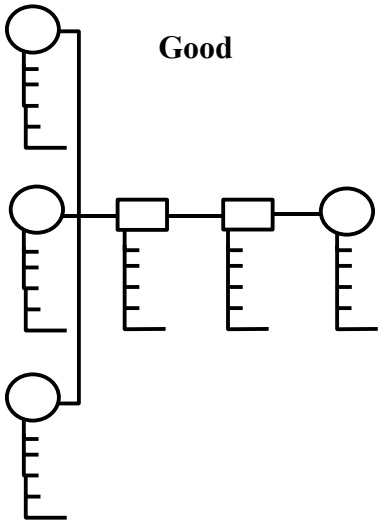


Once again, the same key metrics are the starting set of metrics in most call centers.

Metric Balance

The Walkabout® keeps the metrics in balance. Once we have added the metrics to the Walkabout® Dependency Diagram, we have an excellent tool to see where the metrics are. We can see if we have many outgoing product metrics but only a few incoming product and process metrics. Metric balance allows us to understand the total system.

Should our diagram have significantly more metric legs on any one area than another, the metrics are out of balance. Too much of our focus is being placed on one area. Incorrectly balanced metrics will lead to inappropriate action. If the biscuits are burnt, we will want to take some corrective action. If no oven metrics are available, we will not know where to work or what corrective action to take. Generally this lack of information seldom stops us from taking some kind of action even if the action is unwarranted or wrong. Without some understanding of the oven (process), any action we take to correct the burnt biscuits will be wrong.



A correct balance of information would result in a metric blueprint as shown to the left. It is balanced or has close to the same number of metrics for all areas. This will provide a tremendous amount of information. We can learn in a balanced way about both the product and the process.