

## **NOW IF THE TEAM JUST WORKED BETTER ...**

### **Background:**

The company was a leading player in a service industry, in which both wholesalers and retailers were many and quite active. They had a long history of using a large telephone call centre to provide a range of retail sales and services for end consumers, as well as providing some services to other industry wholesalers.

Established for quite some years, the company had been early to use mainframe computing, had integrated PCs as soon as practical, and was then looking at what the Internet could do to further improve the performance of the company.

The management team were careful with their IT investments – just because they went in early, they weren't profligate or haphazard in their IT spending. The entire management team took an interest in how the IT support came together – if only because it was so central to their ability to deliver customer services that kept customers coming back year after year.

The IT department had a pretty good relationship with the rest of the team, providing plenty of reports for each manager's purposes. They had a good track record of computer up-time, based on a pretty conservative maintenance schedule and plenty of planning. The main challenges that they had faced in the past was opening new call centres in other time zones - that had caused a few wrinkles at the time. The Internet was a whole new drama – the maintenance schedule really didn't allow for 24/7 uptime and it was giving the IT team plenty to think about.

### **The Problem:**

Early in a new financial year, the management team initiated a major sales push. While the previous year had been solid, competitors were making moves in the market place that would be harmful if successful. The management team was also getting very furrowed brows worrying about what the Internet would mean to their industry.

They launched the sales campaign and watched with great satisfaction as the phones started ringing. And ringing. And ringing. After a few days, the management team couldn't hide their smiles. The phones were ringing off the hook all day, and supervisors monitoring calls reported that the team was maintaining the standard of their work.

The end of the first week came at the weekly management team meeting. The IT head arrived with a pile of reports hot off the presses, and the managers each started looking for the sales figures

as they collected their coffees and took their seats to start the meeting.

The silence stretched on and on. Nobody wanted to say out loud what they were seeing. There was absolutely no change to the retail sales, and wholesale values had actually dropped away slightly. What the ... ?

Sleep was lost, reports were analysed, heads were scratched and meetings were held. The inescapable answer was that while the phones were ringing, with call volumes that the company had never seen before, sales figures weren't materialising.

With no other place to turn, the management team concluded that there must be something deficient in the call handling of the staff, that they were too slow in handling calls or were not converting enough sales from the calls. Standing around listening in on calls, generally having a look at the main call centre operation, not all the managers were convinced that the staff were missing the mark. But when the second weeks figures came in looking like the first week, they knew action was needed urgently.

The HR manager took on the task of organising refresher training and more temporary staff to fill the few desks left available in the call centre. The call centre supervisor did a detailed evaluation of a selection of operators to look for gaps or deficiencies, but had to admit there were few lapses. The only distraction seemed to be that some calls were lost just as the operator picked up the call.

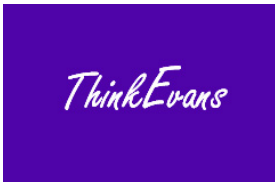
Still musing on what they had discovered, the CEO called for some outside help.

### **The Consultant's Work:**

A couple of days spent observing the call centre justified the faith that the management team had previously had in the operators. Quantitatively or qualitatively, their productivity and quality in call handling left little to be desired. The consultant formed the view that additional training investment would be unwarranted, and possibly detrimental to the morale of the call centre team.

The management team had not found any other problematic symptoms. Working with each of the managers, the consultant made a careful review of the available information. Leveraging the team's expertise and introducing comparisons and benchmarks from related industries gave no leads.

With no downtime during working hours, the computer network clearly wasn't getting in the way of



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progress. The phones were still ringing, so the automatic call distributor was doing its job as well.

Following the bouncing ball, the consultant realised that the one report not yet seen was on capacity utilisation of the automatic call distributor. The utilisation report for the main network showed that it was nowhere near maximum capacity, but the lack of a report on the telephone system suddenly seemed important.

A quick question to the CEO met with a blank look – he couldn't recall having seen such a report. Since the phones were still ringing ... They went to look for the IT manager where he was working with the call centre supervisor.

Same reaction from the IT manager. It had been a great and reliable system, rare breakdowns only. Overhearing this, the call centre supervisor mentioned the odd call drop out thing that she had noticed in her recent operator reviews. More blank looks.

The consultant requested a quick meeting, at which the management team could be briefed by the IT manager and then review the capacity of the automatic call distribution system.

The answer made itself obvious almost immediately. The system had two operating limits. The number of calls that could be handled simultaneously was the first operating limit, and it was well known to all. Monitoring it had long been one of the quick checks presented to the management team at their weekly meeting. This was also the basis of the calculation of system loading on capacity.

The second was more elusive. One of the techies who had been around when the automatic call distributor was installed had a vague recollection of something to do with call waiting time. The IT manager found no reports on it, but, delving into the system manuals, the techie had found that the system was limited to a call waiting time of 53 minutes.

Appalled, the managers agreed this was not only enormously long, but many times longer than they had ever experienced. The consultant enquired as to the system behaviour when the limit was reached. By a quick experiment (taking 53 minutes!), the team found that the system simply dropped the call.

For confirmation, the consultant conducted a brief customer satisfaction survey with wholesalers. While all were delighted with the overall performance on the company, most reported recent frustration with

getting through to an operator, or being on hold waiting for an operator for what seemed like an age, only to have the call fall out!

Taking all the evidence together, the consultant concluded that the company was actually being "strangled by its own success". Call volumes had been rising gradually anyhow, but the success of the recent sales campaign had been too much for the automatic call distribution system to handle. When it had been purchased and installed, it seemed inconceivable that it would ever reach maximum capacity, but utilisation had been monitored anyhow. The importance of the second constraint had somehow escaped attention at the time, and monitoring of that system variable had thus not been incorporated into any of the reports that management had otherwise found so useful.

The management team agreed. They were easily able to fund a capacity extension to the system, and briefed all their wholesalers on the problem and its solution. With the evidence of a return to great service levels, the wholesalers were delighted with the solution.

The management team had been edging towards being demoralized by recent events, but seeing how subtle the problem was, they re-gained heart. It was a simple enough thing to solve in the end, but the CEO was more interested in how they had taken action on what they could, whilst still remaining open-minded to the evidence before them.

With the benefit of being an external observer, the consultant was able to focus just on the problem and give the team an efficient and focussed drive to the actual root cause. While there was nothing actually wrong with the management actions underway, they would not have solved this root cause for a permanent improvement in performance. More likely, call volumes would have dropped away due to the (hidden) poor service levels, and the problem would have submerged as call waiting times declined back to the previous norms.

The CEO privately congratulated himself on having made the difficult call to have a consultant in, but was generous enough to recognise that he would probably not have solved the problem otherwise.