



Out with the Old, In with the New: New Metrics No Contact Center Manager Can Live Without

By Dr. Jodie Monger

We live and die, thrive and suffer by the numbers in the contact center. Our representatives receive incentives, bonuses are handed out and recognition of the contact center throughout the organization occurs when it “meets” its numbers.

Stop to think about what you *really* measure because what is measured truly drives the behavior of the representatives, the team managers, the quality team, and the center manager. It also drives the perception of the contact center within the organization.

We are in the people business but traditionally contact centers do not have metrics to reflect the people’s perspective. A needed change is occurring and some centers have begun to use the voice of the customer to create CUSTOMER METRICS to complement their more traditional Center Metrics and balance out their performance scorecards. While management by the numbers is necessary, it alone will not drive the correct behaviors. Key dashboard metrics **must include** the Callers’ Perception of the service delivery. It is the customers’ perception of our service that is the metric truly driving customer satisfaction...and it’s these metrics that motivate people to perform at their best.

Insanity in the Contact Center

As the saying goes, continuing to do the same thing over and over again while expecting a different outcome is, by definition, insanity. Which metrics in your contact center cross over into the realm of insanity?

As an example, consider Average Handle Time (AHT) as a standard metric in the contact center. In most cases, the management team and team leaders determine AHT goals for the general types of calls. All representatives are then held to that standard, no matter what direction the call may take, or the type of customer on the phone. While we intend to encourage effective call control, this metric teaches the representatives to *manage* the call to that AHT goal number, which does not take the customer and their reason for the call into consideration. Is it insane to expect this goal to contribute to an effective service experience for your callers?

It is too tempting for a representative to watch the amount of time on the phone and end the call when it comes close to the AHT target – an ending may be a rushed summary and close or it may be simply hanging up on the customer. This is obviously not the behavior we intend to encourage and the AHT metric does little to tell us if the customer experience is satisfactory for callers.

Operational metrics alone are generally not representative of your customers’ expectations for service delivery. What is worse is that these metrics reinforce the perception that the contact center is a cost center to your organization. Productivity is critical, yes, but your position as a Strategic Weapon to the organization is not secured by focusing only on such metrics.

Stopping the Madness – Add New Metrics

Focus your attention on CUSTOMER-centric metrics to prove the contact center is a competitive weapon to be leveraged by the entire organization. It is these measurements that show the true voice of the customer and the value of the center within the organization, more so than how many or how fast.

A credible Metrics Dashboard is necessary to position the contact center as a profit center and to create a new paradigm as the heart of customer value within the organization. It is up to the center management team to

promote the center’s value, which will probably be a new concept for internal focus and marketing. With the new measurements in place, and ROI based arguments in hand, this becomes an easier task. Budgeting for the center will become more of an exercise in investment rather than cost containment as a new height of awareness among other business units grow about how the contact center is leveraged.

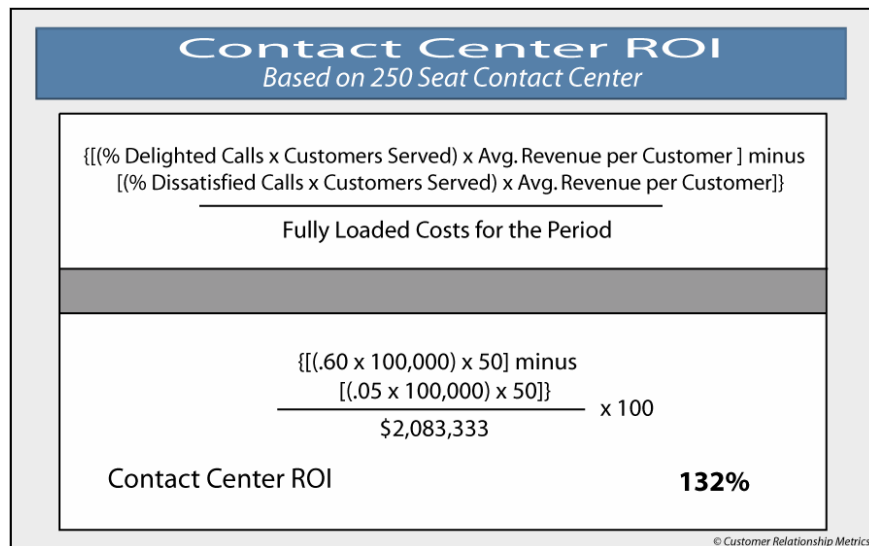
The contact center is the relationship manager for the organization and *is* the company to most, if not all, of your customers. Almost all customer relationships are maintained here and many others are built. The insanity remains in that you are not focused on metrics that measure relationships and is perpetuated by the fact that you are still using metrics that measure productivity.

Often, the transition is easier said than done. Numbers have driven our business for a long time and many have seemingly mastered the way to make the numbers work to drive efficiency in the center. Problem is, we are measuring the wrong things and not taking our relationships into account. Customers are not asked how long they are willing to wait to speak to a representative, or how long they want to talk to a representative once they get them on the phone. We have made assumptions and created goals about what customers want and have built program on top of program to measure these things – never really including the voice of the customer in the process. All the while you are increasing the perception of being a productivity center - cost center - to the organization.

Focus on Value

Now that more contact centers are being recognized as value centers within organizations, it is time to change the metrics to reinforce this new position. So much customer insight is available to the organization through the contact center. Package it up and share it. You need to make it a part of your mission to show the rest of the organization how to leverage your center.

Start by measuring success in ways that will assist other parts of the organization to make decisions. Does AHT mean anything to anyone else in the organization? Probably not. So, identify what numbers will drive change in the organization and start from there. Look at the big picture first – what is the organization getting for what they are budgeting for your center(s)? In essence, what is the ROI of the contact center? Look at this number monthly, and then drill it down to a daily measurement.



The percent Delighted Calls are 9 or 10 on a 10-point scale or 8 or 9 on a 9-point scale. Dissatisfied is 3 or less.

Please note in this formula that you are claiming the relationship management *successes* and taking responsibility for the *failures*. This is an essential part of the measurement. You cannot create credibility without doing both. The behavior of the group in the middle cannot be accurately predicted and it can be assumed that the effect of their movement away from your company or to stay with it has a zero net.

This new customer metric shows how the center protects revenue and relationships for the organization. It will also show when the investments outweigh the gains in customer satisfaction and be indicative of a needed change. This measure will account for investments in technology, people, and processes and will help identify the profit potential of the center. Not just to you and your staff, but the entire organization as well.

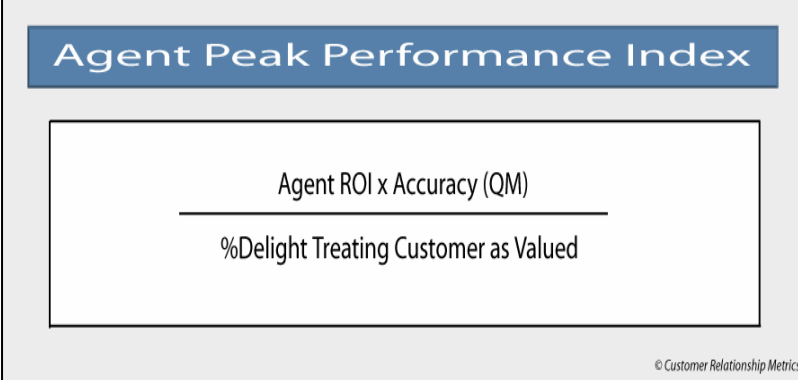
Use the same calculations to produce a Team ROI. Each team is a mini-profit center, or if it not viewed that way, it should be. Give the direction to the Team Leads to manage to a positive ROI. This will create happier teams, which will create happier agents... which ultimately leads to happier customers.

Another likely target for relationship effectiveness is the Agent. Each and every person representing your company has a fiduciary responsibility to profitability. Do they understand that concept or has it become lost in the day to day operational metric reports that we provide to them?

Not all teams or individuals will perform equally. The Center ROI may show value overall, but the center manager should identify the teams that are performing well based on the investments it has made. The same applies to each individual agent. This will show, from the customer's point of view, what is working and what is not. Then, the information can be used to identify specific training and coaching efforts needed per team (or individual) to increase the ROI.

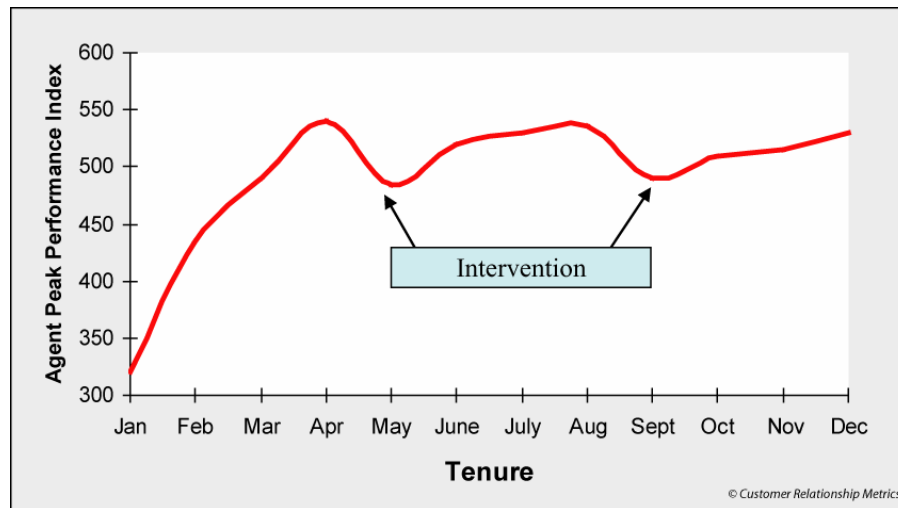
Another new metric that will pinpoint a Customer Metric and focus training and coaching to include the Callers' Perception is the Agent Peak Performance Index. This measure will identify how each individual agent scores on customer satisfaction.

Agent Peak Performance Index



The diagram shows the Agent Peak Performance Index formula. It consists of a blue header box with the text "Agent Peak Performance Index". Below this is a white box containing the formula:
$$\frac{\text{Agent ROI} \times \text{Accuracy (QM)}}{\% \text{Delight Treating Customer as Valued}}$$
 In the bottom right corner of the white box, there is a small copyright notice: "© Customer Relationship Metrics".

By using this index, each agent will be scored by the actual voice of the customer, not just standard metrics. If this index is falling, it raises a red flag to supervisors and trainers that this agent needs some additional coaching or training. The callers will identify agent burnout. Coaching and training budgets can be used most effectively and at the right times for the right agents – thereby increasing the ROI on these programs.



The New Cycle

Begin the focus on Customer Centric Metrics. By using these value proposition measurements, the insanity cycle can be broken.

Also, keep in mind that these new metrics are not solely for the voice channel. Service delivery from all channels should have these metrics to identify and build the case for value in the organization. Each channel should be profitable and these measurements will assist with the overall view of the center as a strategic weapon.

Dr. Jodie Monger, is the President of Customer Relationship Metrics (www.Metrics.net), and a pioneer in customer satisfaction research for the contact center industry. Prior to creating Metrics she was the founding Associate Director of Purdue University's Center for Customer-Driven Quality. Her expertise is working with organizations to help capture and analyze the Voice of their Customer.



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