

BY DAVE BROWN

Elite Information Systems

A small company makes a sizable investment in re-engineering—and sees BIG results.

The Problem

Elite Information Systems' support department simply did not take customer calls "live." All callers were required to leave their callback information with a dispatcher, and wait for a support rep to return the call. Urgent calls were typically returned within the promised two-hour commitment. However, most callers would wait an average of 24 hours before getting a call back. Even when a customer was finally connected to a "qualified" support rep, less than 25 percent of calls were resolved during that first discussion. Management was barraged with customer complaints.

Background

Los Angeles-based Elite Information Systems (www.eliteis.com) is an interesting company. The firm has been in existence for over 50 years, and has continually adapted to the changing needs of its customers. It began, in fact, as an office equipment provider, became a value-added reseller, and eventually turned into a software and services business. With its new Elite.com division, Elite most recently ventured into the ASP market. The firm's 850-plus clients are primarily law firms and other professional service organizations that use Elite's products to track time & expenses,

and perform billing/accounting functions and other practice-management activities.

The company had been steadily increasing its customer base by about 20 percent per year. With growth, however, came challenges: The "old way" didn't always scale—especially when it came to customer support. So Elite recruited veteran service expert David Voncannon, who was experienced in managing a relatively large and successful tech support operation at FileNET. He also had previous experience re-engineering a service organization. With Voncannon on board as director of Customer Support, Elite moved quickly to re-

engineer—unlike many companies that attempt a variety of solutions before finally succumbing to a re-engineering effort. Voncannon didn't have the issues of ownership or personal investment in "the old way" that other support organizations often have, and he had the benefit of having experienced a *successful* re-engineering effort. He saw Elite's situation as an opportunity for a major turnaround. To make things happen quickly, Voncannon looked for outside help, and called in our firm. We arrived on the scene, and, as usual, started with an operational assessment. Within 30 days, we developed a set of recommendations.

The Analysis

Faulty model; process weaknesses. We determined first that the "old" call handling model—compounded by a lack of effective operating procedures—was at the heart of the dysfunction. The problems

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began with the first step in the process: when customers with problems called for assistance. Customers, understandably, wanted to speak with someone who could resolve their issues, but they were forced, instead, to speak to a non-technical dispatcher, and then wait for a call back.

The second problem was the way that Elite managed their callback process. Rather than dedicating a portion of the staff to this task (or even assigning part of each agent's day to this task), the callback work became just another staff chore on "to do" lists. With a backlog of open issues to work on (and no dedicated time to perform callbacks), the staff viewed the callbacks as work interruptions. That's when the game of "voice tag" started. While staffers did make an effort to call back customers with urgent issues within the two-hour target timeframe, they admitted that they actually hoped they'd get a customer's voicemail! They could then note that they had called the customer within the target timeframe, and could return to working on their backlogs.

But Elite's "voice-tag" callback model meant that even the simplest question would not be answered on an initial call, because there was no hope of contact with an analyst who might understand and resolve the issue. Ironically, this inefficient process resulted in a support effort far in

excess of what was actually required, had Elite merely connected the customer to the proper analyst in the first place.

Staffing assessment. As part of the initial assessment, we performed an analysis of the workload so that we could create a staffing model. To create the model, we took a conservative approach, assuming that we would not improve the first-call resolution rates and that the average handle times would stay essentially the same. But, for the purposes of the model, we also assumed an efficient model was in place that connected callers to qualified reps and eliminated the callback inefficiencies. The result was surprising: Our staffing calculation determined that Elite had about 45 percent *more* staff members than was actually required to provide excellent service! And yet, the support group was struggling, and was unable to provide acceptable service.

Tools assessment. Although the process weaknesses were at the root of the poor service and inefficiencies, there was another issue: The tools in use by the support department were outdated and ineffective; they would not allow us to *implement* the improved support model. So, new technology would be key to the re-engineering effort.

New Tools, New Process

We worked with Voncannon to develop a three-pronged approach: process, people, and tools. The

process re-engineering would need to be synchronized with the selection and implementation of the new tools. The people "prong" would be a customized training program that would be delivered in bite-sized doses over the course of the project. We then developed a nine-month project plan, with Voncannon heading up the technology selection himself. Based on his recent experience in this area, he didn't need to go through a long, drawn-out, specification and selection process, but quickly zeroed-in on two systems that—when combined with Elite's existing phone switch—would provide everything that was needed.

The tools. Voncannon determined that Apropos Technology, Inc (www.apropos.com) would provide the ACD functionality that was then non-existent at Elite. The Apropos system, however, does more than just route calls; it actually works with and blends *all* types of incoming media, such as phone calls, e-mails, web incidents, and faxes. Apropos' Multimedia Interaction Management Suite utilizes skills-based routing to deliver each customer contact to the agent appropriate to handle that contact. What's more, the system has solid reporting capability (another important—but missing—element of Elite's support). Voncannon determined that the Apropos system would work with Elite's existing Nortel Networks (www.nortel.com) Meridian phone system. (The Apropos architecture is actually quite open, and can be adapted to virtually any major telephone PBX.) It was important to Voncannon that flexibility be

designed into the routing system, to accommodate future changes and new technologies.

The second major technology component was from Pivotal Corp (www.pivotal.com). Pivotal would provide the core CRM capability and become the call- and bug-tracking mechanism. Pivotal was selected because it could eventually become the enterprise-wide system that Voncannon envisioned. Elite could secure the foundation modules first, and then integrate the sales, field operations, and contracts/billing components later. Because Elite was a relatively small company, price was an important part of the tool-purchasing decisions; both Pivotal and Apropos met Voncannon's budget constraints.

The Re-engineering Approach

The process re-engineering track was "textbook." We used our firm's collaborative approach, which combined Elite project teams with our own consultants [for more on this approach, see the June 2000 issue of *CUSTOMER Support Management*, "Re-engineering, Part 3: Launching the Project," or use the search keyword "Brown" at www.customersupportmgmt.com]. Elite's own staff, pulled directly from the support department, performed the bulk of the work. The assigned consultants facilitated the process and provided subject-matter expertise. This is an effective approach that results in high-quality solutions and tremendous employee acceptance.

Teams, and more teams. For a small organization, we used quite a number of teams, and received

near-100 percent participation from the support staff. Voncannon felt it was important to get everyone involved (another big investment on Elite's part), but the involvement paid off in total employee buy-in. Various teams addressed workflow; performance, rewards & recognition; tools; communications; policy & procedures; training; and knowledge management. At the heart of the effort was the Workflow team, which determined the key process changes. It coordinated the collecting of data about calls (volume, types of questions, handle time, closure rates, etc.), and then used that data to design a new call-flow that, using the new Apropos system, would route calls to the most qualified agent. The final design applied logic that agents themselves had previously used (informally) to determine how to sort and route calls.

The 'people' track. The "people" track addressed the challenges of change management through custom-developed workshops that were attended by all support staff. This program helped uneasy staffers deal with the stresses of a changing environment, and learn to adapt to the new model. Additionally, we custom-tailored several skills-development courses, and delivered those to the support staff over the course of the re-engineering. When it came time to implement the new support model, Elite had a well-trained, fully prepared staff of support professionals.

Educating management. In addition to the support analyst training programs, it was important to

educate the new members of the support management team. Management workshops were provided on a variety of topics including "Call Center Process," "Determining Staffing Models," and "Appropriate Metrics for the New Processes." These classes prepared the new management team with the knowledge necessary to function well when Elite went live with the new processes.

Going Live

Even with all the planning and preparation, there were hiccups when the center went live at 6 am on a Monday morning: The system wouldn't route the calls the way it was supposed to. For several hours, the dispatchers acted as the ACD—taking calls, asking the same questions the phone menu should have offered, then transferring the calls (live) to the agents. But it was truly inspiring to see the (at one time, resistant!) people who had since worked so hard to help design the new model, work through the unexpected challenges. By midday, the problems were fixed; by Day Two, things were working smoothly.

Elite's "new" process was really a classic two-tiered model with a well-defined escalation process. The various new and existing technologies were integrated via CTI to provide a smooth process designed to route the caller to the best available agent. Today, callers reaching Elite's phone menu are asked to enter their customer ID. The system verifies that the caller has a valid service contract, and asks the caller to select from a short menu of options regarding

the reason for the call. The system then routes the call to the most appropriately skilled, available agent, or queues the call for the next available agent with those skills. When the agent receives the call, the combined Apropos/Pivotal system delivers a screen pop showing customer name, phone number, and the product the customer is calling about.

Quick ROI

Today, 80 percent of Elite's inbound calls are answered live, by a qualified support

rep. The other 20 percent of customers voluntarily select a phone menu option that routes them to a dispatcher, usually because they have a non-urgent issue and would like a callback later, or because they have a non-technical issue that the dispatcher can handle. The average speed of answer (ASA) is approximately one-and-a-half minutes, and first-contact resolve rate is up to 35 percent, and continues to improve. 84 percent of Elite's customers now rate the company's support as acceptable or better.

Yet the improvement goes beyond service metrics and customer satisfaction. Life for the support staff is much improved. The training the staff members received has better prepared them for the challenges of working in their profession. The backlog of unresolved calls has been reduced by over 50 percent, and is continuing to drop toward a goal of no more than three days' volume. Staffers feel successful, and employee turnover is virtually non-existent.

Elite now has an effective support model that will scale with the business. The telephone support headcount hasn't increased since the center went live with the new support model, even though the customer base has increased by about 30 percent. And since support reps now answer the majority of calls, the dispatch staff has been cut by 50 percent. Yes, Elite invested close to \$1.5 million, but the company has seen a 100 percent ROI in the first year in reduced turnover, zero headcount growth, 99 percent customer retention, and increased service revenues. Voncannon has proved that hiring experienced management pays off. And Elite has demonstrated that even relatively small companies can benefit from re-engineering. What's next for Elite? The company is currently developing an integrated knowledge management plan that will increase its first-call resolve rate (target is 50 percent), and reduce call handling times. But, alas, that's another story... ■



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