Service dissatisfaction is the leading cause of customer defections
According to a Purdue University (2004) study, 68% of customer defections can be linked directly to service dissatisfaction. This is well above the product dissatisfaction at 16% and pricing at 9%.

Introduction:

After working with the staff of the customer service branch for a period of several weeks, I would like to inform you of my observations and to suggest some actions for the purposes of reducing customer complaints, reducing the potential for costly employee turnover, and improving the overall efficiency and cost-effectiveness of the team. The scope of this paper will include matters that affect the branch's productivity, including staff morale, skills and training, group dynamics, and leadership methods. Not included will be observations/evaluations of specific individuals; as well, resolution of system issues, such as technology and operations are beyond the scope of this paper.

This document will:

- present some of the key issues within the call center staff that are causing customer complaints and inefficiencies.
- summarize the causes of the problems.
- propose a plan that includes near- intermediate- and long-range actions that should mitigate the problems.
- demonstrate how implementing the action plan will likely produce positive business results for PrimeCell.

Situation Summary:

The branch is not achieving high levels of performance with regard to either customer service or efficiency of operations. It is a group of people who have diverse, rather than complementary skills, some of whom may not fully understand their individual roles, nor the departmental goals, and who are therefore unable to be committed to achieving those goals together. They do not communicate well or share information. They do not have a "group identity", do not demonstrate respect to each other, and are not committed to helping each other. Without the implementation of interpersonal, team and leadership training, coupled with new procedures and operating methods, the department will continue to operate at sub-par levels. Too, we as managers have to be confident and objective enough to look at ourselves as part of the problem and part of the solution.

Key Problems/Issues:

The single most important problem leading to departmental inefficiency is most likely a lack of effective communication, coordination and collaboration among the staff and with management. According to Patrick Lencioni (2006), founder and president of The Table Group, Inc., a specialized management-consulting firm focused on organizational health, the following are several indicators of communication problems:

Individual performance issues:

- Not aware of or understanding quality goals

- Not promptly returning customer phone calls

- Not achieving call quotas (excessive dropped calls and handling time)

- Not responding to requests for information

- Absenteeism or missed meetings

- Avoidance of Accountability: Individuals hesitate to call their peers on actions and behaviors that may seem counterproductive to the overall good of the team.

- Inattention to Results: Staff members tend to put their own needs (ego, career development, recognition, etc.) ahead of the collective goals of the team.

Team Issues:

- Age, gender, and experience differences have created barriers to effective team building.

- Each staff member is working independently, with little communication, so good ideas are not shared.

- Gossip, hostility, complaining and finger-pointing at others in the group.

- People not picking up the slack for their co-workers who may be absent.

- Lack of a "conflict resolution" process or strategy that can be readily understood and used effectively.

- Absence of Trust: Team members are reluctant to be vulnerable with one another and are unwilling to admit their mistakes, weaknesses or needs for help.

- Fear of Conflict: The lack of trust renders the team incapable of engaging in unfiltered, passionate debate about key issues. Inferior decisions are the result.

- Lack of Commitment: Team members cannot commit to decisions, creating an environment where ambiguity prevails, thus employees, especially more senior employees, are disgruntled.

Leadership Issues:

- Lack of clearly-defined and measurable goals, both at the individual and team levels.

- Staff have not being adequately informed of their group roles and responsibilities.

- Performance feedback and corrective guidance have not been regularly communicated.

- Leaders have not been visible, available, and supportive.

- Leaders have not developed a good understanding of individual motivations and goals.

- Employees have not been sufficiently challenged.

- Management has not provided clear career paths.

- Training opportunities have been lacking.

Hypothesized Causes and Proposed Solutions: Results of observation, staff interviews, and measurement of key performance indicators (i.e., number of customer complaints, dropped or misdirected calls, call handling time) demonstrate that deficiencies in training, monitoring and leadership are the probable causes of poor communication, ultimately degrading the department's morale, efficiency and service. Specific problem definitions and recommendations include:

Problem: Poor morale and motivation.

Solution: Establish a program that provides incentives, rewards and recognition for superior performance.

Problem: Poor interpersonal and team-building skills.

Solution: Provide additional staff training toward:

- Working effectively as a team member
- Conducting effective meetings
- Delegating and mentoring techniques for senior employees
- Managing time
- Resolving conflict

Problem: Unable to effectively employ the current customer response templates, leading to dropped or misdirected calls and extended handling time.

Solution: Reevaluate call-handling methods; enrichment of training programs, cross-training and certification programs in product and service areas, leading to better-informed agents.

Problem: Inadequate leadership skills.

Solution: Develop and augment leadership training in order to be more proactive in such things as:

- Setting clear, reasonable, achievable objectives and goals to the staff.
- Giving effective feedback.
- Providing more active coaching and call monitoring with better metrics, improved performance and productivity measurement and enhanced feedback processes, with focus on reduced handle time.
- Enhancing customer service focus with the implementation and improvement of customer relationship management (CRM) programs and solicitation of customer feedback.

Action Plan for Improvement: Correcting the current issues will require achieving the following objectives:

- Improve agent competency in utilizing the call center's template.
- Improve team communication, cooperation and collaboration
- Improve service and quality levels with higher first-call resolution rates and a lower abandonment rate.
- Reduce the customer handle time
- Reduce the volume of customer complaints
- Minimize misdirected contacts
- Reduce repeat contacts
- Improve managements' ability to establish goals, define metrics and evaluate performance.

Accomplishing each of the above objectives will entail the implementation of several measurable near-, intermediate-, and long-term tasks. Below are recommendations, business drivers and challenges related to accomplishing each task:

Short-term (1 to 3 months) recommendations: A crucial success factor for PrimeCell's call center will be to improve the morale, team unity, and consequently the productivity, of the employees. As suggested in a recent article in Entrepreneur magazine (Javitch, 2005), some proven methods for increasing employee satisfaction include setting measurable goals, implementing recognition and incentive programs with rewards for superior performance against goals, thereby creating a sense of ownership and pride in the job. Providing proper training on employee relations, team building, and customer service will increase agent knowledge and their ability to successfully serve customers and to interact more effectively with co-workers. Specific recommendations include:

- Conduct more effective team meetings, with the immediate goal of improving the current template. Meetings will have a set time and agenda, with an assigned, rotating moderator and scribe.
- Set-up a series of weekly, one-hour training programs, geared toward improving employee collaboration and communication. Newer staff will also be given certification training in call handling and customer support techniques, especially methods for dealing with disgruntled customers.
- Institute call monitoring and coaching techniques using such tools as call recording.
- Implement a new performance management process that identifies key performance indicators (KPI) and productivity improvement goals for each person.
- Evaluate each person's performance against the KPI goals, and in relationship to other team members.

Intermediate-term (4 to 6 months) recommendations: With new template and customer call-handling methods, agents will able to perform more productively, giving them the ability to better serve customers and cut costs - impacting both performance evaluations and reward and recognition bonuses. Specific recommendations include:

- Continue training in interpersonal, team and managerial skills.
- Enhance customer services, such as extended hours and bilingual services.
- Conduct 6-month re-evaluation of each employee with regard to achieving KPI goals in:

- Required technical and functional skills.
- Required behavioral competencies.
- Customer interaction skills.
- Process improvement skills.

Long-term (6 months +) recommendations: Long-term plans should focus on reinforcing previous learning as well as incorporating new techniques aimed at increasing sales, further reducing errors, complaints and costs, along with improving methods for meeting future growth and technology upgrades, and for measuring results, including:

- Increasing sales through training in cross-selling and up-selling techniques.
- Enhancing forecasting techniques to meet call volume and scheduling efficiency.
- Providing management with upgraded desktop systems, scheduling and evaluation software, call management software and workforce management software.
- Updating call monitoring processes.
- Educating staff on techniques for self-directed work teams, such that they can conduct their own team evaluations and improvement meetings.
- Implementing certified training in systems, including integrated voice response, automatic call distributors, new desktop systems and software, computer telephony integration, and VoIP (Voice over Internet Protocol).

Business drivers motivating changes

- The need to maintain or increase the level of customer service, including speed of answer and quality of the customer's experience (first-call resolution rate).
- The need to improve efficiency and productivity to reduce costs, deal with budget constraints and comply with staff reductions or freezes on hiring.
- Business growth from increased products and services offered, cross selling and an overall increase in call volume.
- A changing company strategy driven by management and cultural change.

- Market trends and conditions forcing a need to stay ahead of the competition.
- Reducing turnover and motivating existing staff.
- Continually meeting or exceeding sales/growth targets.
- Further reducing call handling time and customer complaints.

Challenges to implementing solutions:

- Dealing with difficult personalities.
- Meeting a greater demand for services.
- Implementing new templates and method upgrades while at the same time ensuring that the staff are trained in their uses.
- Implementing or improving a workable quality monitoring program and useful performance measurement system to track productivity.
- Maintaining or increasing the quality of customer service.
- Dealing with budget and time constraints.
- Handling an increased call volume with the same staff.
- Working with management changes involving company reorganizations, strategic changes and other company initiatives.
- Capitalizing on growth and space issues.
- Implementing and training for technological improvements.

Conclusion: Should the recommendations contained in this paper be implemented, the goals of improving individual, team and leadership competency should reduce customer complaints, reduce the potential for costly employee turnover, and improve the overall efficiency - and therefore the cost-effectiveness - of the customer service branch. Achieving the objectives will allow agents to differ at times, yet to do so in a collegial and productive manner, and will also provide management with improved methods for evaluating and improving the branch's performance, as well as laying a solid foundation for accommodating PrimeCell's future growth.

References:

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