

"Traditional call center metrics don't measure success", Ron Skea, Vanguard Scotland



2010-01-05 - *Why are call centers failing? We asked Ron Skea from change management consultancy Vanguard Scotland about the reasons for failure of contact centers and how to measure good customer service.*

Why are call centers failing?

Their design is based on outdated scientific management principles that are rooted in manufacturing organisations. They are not designed to reflect the needs of customers in modern service organisations and as a result they generally fail to deliver what matters to customers. A recent survey of UK call centre customers, widely

reported in the press, found that up to 60 percent of customers had switched companies because of poor levels of customer service. The problem is that many organisations are unaware of this because their traditional call centre metrics don't tell them what is really happening.

What is wrong with using traditional "call center metrics" in order to measure success?

They don't measure success. They have a role in resource scheduling but don't tell you how well the organisation delivers against what matters to customers. They're usually based on standardisation and don't take account of variation in the nature of demand. The typical 'one size fits all' measure such as call length means customers have to fit the organisations internal processes, not the other way round. But the fact is that customers are more concerned about the outcome of their calls and usually feel that pressure on staff to handle calls quickly reduces the quality of the service.

Isn't it possible to achieve a high performance using metrics such as time per call, number of calls, wrap up time etc. AND a satisfactory level of customer service?

Traditional metrics tell you about symptoms, not causes, of performance that matters to customers. Get the customer service right and the metrics will improve, but focusing on getting the metrics 'right' will not lead to improved customer service and often actually makes it worse. They are used to set targets and the purpose becomes 'hit targets' (by whatever means you can). Even good people who are being measured on the wrong things do clever things to make sure the numbers look right rather than doing what is right for the customer. And the fact is that the more you deviate from what matters to the customer the more money it will cost you.

How do you measure good customer service?

A good measure helps management and staff to understand and improve customer service. Measures must satisfy a number of criteria:

1. They must reflect the purpose of the call centre, from the customer's point of view and measure what matters to the customer
2. They must show the relationship between the customer experience, operating expense and return on investment.
3. They must show data over time, with trends in the data and show the extent of variation in performance.

By concentrating on what matters to customers an organisation can maximise customer satisfaction and so increase revenue.

Is your approach suitable for all kinds of contact centers? In other words, which kind of call centers could most benefit from it and which would not?

Our approach achieves outstanding customer service, reduced operating costs, and high employee engagement. It can be used in any kind of call centre and we've worked with private and public sector, and inbound and outbound call centres. We've worked in services as diverse as health, insurance, repairs, IT helpdesks, and sales centres. The biggest challenge is in outsourced call centres. Their contracts are usually based on volumes of calls handled which is a disincentive to improving service but we have shown how both parties can benefit from a partnership approach using our methodology in these situations.

Picture: Vanguard Scotland

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