DREW ROBB
Drew is a Los Angeles-based freelance writer specializing in technology and business. Originally from Scotland, he graduated from Strathcycle University in Glasgow.

Workforce Optimization for Small Contact Centers

Workforce optimization software is becoming more affordable for smaller operations.

According to conventional wisdom, and industry experts, the return on investment (ROI) on workforce optimization software just isn't there for the small contact center, making it unaffordable for centers with fewer than 60 seats.

"In most cases, contact centers with fewer than 60 agents can schedule service reps using spreadsheets, and monitor customer service by having a manager walk the floor," says Lindsey Higgs, an analyst with AMR Research in Boston. "However, once the agent workforce grows beyond 60, these manual processes fall apart, forcing users to turn to technology for help."

Based on the results from two small contact centers—one in California and the other in England—this viewpoint may need to be revised. On Net Communications, a 20-agent call center in northeast England, and Orange County Credit Union in California, which has a 25-agent contact center, have found it possible to cost-effectively utilize workforce optimization in their operations.

In this article, we'll highlight the problems both centers experienced, as well as the solutions they came up with.

It's a Juggling Act

Managers in small contact centers tend to spend an inordinate amount of time juggling agents' schedules and trying to monitor their performance. But as On Net and other small contact centers have discovered, manual processes can become unwieldy and inefficient even with just a handful of agents.

On Net Communications, for example, is a busy outsourcer located within the tranquil setting of Weardale in northeast England. Launched in January 2004, On Net carries out work for various organizations, but specializes in the local government and education sectors. This expanding company utilizes the most advanced multimedia technology and offers a full range of customer contact management services. The workload is currently split into 60 percent outbound and 40 percent inbound. Over time, however, the ratio has been shifting in favor of inbound call center operations.

The company's initial challenge was staying profitable while eliminating manual processes for planning, estimating, scheduling and budgeting. Until a few months ago, On Net Communications used Excel spreadsheets to track agent activity, campaign planning and call volume trends. This process involved repeated data entry and absorbed the staff's time. Further, human error was considered a fact of life due to the amount of manual keying and rekeying of information, schedules and campaign information.

"It was time-consuming and inefficient—amounting to 20 or more hours every week," says Maureen Stanton, managing director for On Net Communications.

On Net's Technology Platform

- Adaptive Messaging, which manages all inbound and outbound contacts utilizing progressive and predictive dialers, contact blending, screen-popping and automatic response handling.
- Call View, which produces automated and manual reports for any aspect of a campaign; historical and real-time reports can be compiled in graphical, statistical and tabular formats and exported into any medium, for example, email, spreadsheet or Web browser.
- Intertel Axxess, a resilient call-handling platform, voice over Internet protocol (VoIP) with an Intertel programming studio that allows the company to configure the telephony on a systemwide basis down to the individual key sets.
- Skill Map, which acts an interface with Intertel giving dynamic call routing to agent skill levels.
- SQL Server 2000, a relational database management system that stores, manipulates and outputs data in various formats.
- Monet, a workforce optimization system by Left Bank Solutions of Los Angeles, that manages campaign forecasts including costs, staffing schedules and agent real-time adherence.

In addition, planning and managing multiple campaigns simultaneously was a real problem. As a result, the planning was conducted somewhat haphazardly—it was purely driven by estimates, and the company had no real-time adherence facility. Further, manual reporting meant long hours and late nights for team leaders.

As a new call center, the company is a firm believer in using technology to solve its operational issues. On Net turned to workforce management technology to improve its ability to accurately forecast agent shifts, schedules and associated costs. Its workforce optimization solution immediately offered managers the ability to plan 24-hour shift patterns to give the proper life-work balance to employees, and reduce costs by more efficiently managing staffing schedules. That, in turn, has made it easier to predict campaign costs. In addition, by eliminating manual tracking via spreadsheets, the human error and inaccuracies have been eliminated—and the center has reduced the hours spent on campaign planning by 75 percent.

"The workforce management solution reduced our call center costs in a matter of days—you can simply use the system to produce center budgets by running a costing of all forecasted agent shifts and agent schedules," Stanton says. "This has increased our profitability by 20 percent since the turn of the year, and it is an affordable way for us to offer services that rival those of the largest contact centers."

California Calling

Orange County's Credit Union (OCCU) is a not-for-profit community-chartered credit union exceeding $763 million in assets, and with more than 81,000 members. The credit union is ranked in the top 2 percent of credit unions nationwide and is the county's second-largest. In addition to visiting a branch, members can contact the credit union's call center for balance inquiries, to open new accounts, apply for loans, transfer funds and more.

OCCU's inbound call center handles 30,000 to 35,000 calls per month with its staff of 25 agents, comprised of a 50/50 mix of full-timers and part-timers. With traffic volumes so high, coping with agent scheduling was a struggle for call center management.

"We were making decisions about staffing levels and agent schedules with blindfolds on," says Randy Stolp, assistant vice president of telephone services at OCCU. "When we understaffed, we failed to meet our service level agreements; when we overstaffed, we reduced our profitability."

To solve such issues, OCCU has been working hard to redesign its call center operations, which included implementing a workforce optimization solution.

"Workforce optimization helps us to determine whether we have set the right goals and if we need to make staffing adjustments," says Stolp.

It also enables OCCU's call center managers to determine the exact cost of existing schedules as well as planned schedule changes. Stolp explains that the software helps to determine the consequences of various scenarios and forecasts.

OCCU's Technology Platform

- Avaya for all PBX and phone-related systems
- Windows 2000
- XP Systems for branch transactions
- CentreVu Supervisor for call center reporting
- T1 lines for data and VoIP for voice
- Monet Workforce Management

"I can use it to jockey factors such as improved service levels and reduced customer wait time against the cost to provide it. This enables us to find the right balance of efficiency and profitability without having to hire people hoping that it will work out to be cost-effective. It tells me in real-time what every change in the schedule will cost."

The ability to analyze forecasts and schedules almost immediately brought about a change at OCCU. A forecast showed that the experienced full-time agents typically worked the early shift, while the center's peak traffic generally came later in the day. To fill the gap, the credit union had been employing its less-experienced part-timers. As a result, call handle times were much longer at night since the part-timers could not deal with customer calls as efficiently as their full-time counterparts.

Further, the experienced agents were shown preference for any openings in the early shift. Thus the company was continually losing its veteran performers from the late shift. Through the software's forecasting capability, management realized that it had to change this practice and keep its more experienced agents working the later hours.

"Essentially, we realized that we were cutting our own throats by putting new people on at night," says Stolp.

Keeping it Affordable

Top-of-the-line workforce optimization solutions generally cost hundreds of thousands of dollars. That's why, until recently, they have been found mainly in large contact centers. Fortunately that is changing. The big vendors are slowly coming out with packages priced lower than $100,000 that are more attractive to the mid-market.

At OCCU, however, the workforce management package worked out to be just around $17,000. That included the call center module, another scheduling module customized for use in all credit union branches, installation and a year's maintenance. Next year, Stolp says, the cost will be $2,200 for maintenance.

"We expect to save, at a minimum, the equivalent of one FTE, or $25,000 within the first year. It has eliminated the guesswork from our profitability analyses and scheduling, and has helped us improve our service levels by at least 5 percent. "Although it cost a fraction of the bigger call center packages, it has every key feature that [those solutions] offer." ■

