TRANSFORM YOUR BACK OFFICE OPERATIONS
<table>
<thead>
<tr>
<th>Page</th>
<th>Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>All Eyes On the Back Office</td>
</tr>
<tr>
<td>4</td>
<td>Taking Control of the Black Box</td>
</tr>
<tr>
<td>5</td>
<td>The Four Horsemen of Underperformance</td>
</tr>
<tr>
<td>7</td>
<td>Why Performance Matters</td>
</tr>
<tr>
<td>8</td>
<td>Transforming the Back Office</td>
</tr>
<tr>
<td>10</td>
<td>Transforming Oversight</td>
</tr>
<tr>
<td>11</td>
<td>Transforming Attendance</td>
</tr>
<tr>
<td>12</td>
<td>The Multiskill Advantage</td>
</tr>
<tr>
<td>13</td>
<td>Transforming Employee Performance and Quality</td>
</tr>
<tr>
<td>14</td>
<td>The Balanced Performance Scorecard: A Matter of Will, or Skill?</td>
</tr>
<tr>
<td>18</td>
<td>Self-Regulation Through Scorecards</td>
</tr>
<tr>
<td>19</td>
<td>The High-Performance Life</td>
</tr>
<tr>
<td>20</td>
<td>The Lowest Costs Of High-Performance operations</td>
</tr>
<tr>
<td>21</td>
<td>All Eyes On Action</td>
</tr>
<tr>
<td>22</td>
<td>Glossary of Back Office Terms</td>
</tr>
</tbody>
</table>
Why should you be concerned with driving performance in your back office?
Because when the sales meetings end and the phones go silent, the back office takes control of the customer relationship. Insurance claims, loan approvals and payments, loss mitigation and crucial account management services all depend on the professionalism, efficiency, and effectiveness of back office professionals. Back office employees rarely communicate directly with a customer. But they are just as responsible for building and sustaining profitable customer relationships as their colleagues in the sales and service departments.
Few organizations can afford to treat their back offices as “black boxes”, simply throwing work units over the wall and waiting patiently for output. Back office leaders are being asked to deliver higher productivity and greater visibility by all stakeholders.

Executives have been driving costs and inefficiency out of customer-facing departments for decades, leaving the back office relatively untouched—until now. Today, they see significant opportunities for cost reduction and productivity gains. In financial services industries, the C-suite recognizes the back office as a vital source for proactive compliance with expanded consumer protections and regulatory mandates.

But the pressures aren’t only coming from the top. Senior back office leadership can improve service level agreement performance with a deeper understanding of staff activities and work inventory. Line supervisors want more refined methods for evaluating, rewarding, and training their employees. Change is coming to the back office, and increased productivity will be the reward!
Transforming your back office into a high-performance environment requires deep insights into all aspects of back office performance. Yet most back offices rely on four obsolete tactics to manage staff and work volumes. These outdated practices must give way to strategies that deliver deep, real-time insights to supervisors, managers, and executive leadership.
Tracking work completed with tick sheets: The “sheet” may now be a shared spreadsheet, but many back offices have done little to move past the decades-old practice of asking employees to manually log the number of work items completed.

Tick sheets tell your organization nothing about the quality of work completed, the complexity of tasks faced by each employee, and whether work completed led to positive outcomes.

Workforce planning via spreadsheets: Even large back office environments often manage their workforce with a single-user spreadsheet. This approach does nothing to account for understaffing in peak-volume periods, and cannot track the impact of employees scheduled for non-productive assignments such as meetings and training.

Chair-drop performance reporting: Leaving work item processed and quality reports on your employee’s chair isn’t a very effective way to give performance feedback. Unfortunately, while this one-way management tactic is common, it does nothing to improve employee engagement and performance.

Easily gamed, highly intrusive, and unrefined. Standing behind employees with a clipboard may temporarily serve notice that the organization is getting serious about productivity, but the practice is often so disruptive that it is actually counter-productive.
The reason why performance matters in the back office can be summed up in just two words: 
**Fifty percent.**

That’s the amount of time the average back office employee spends on actual work. And most organizations lack the tools to even measure that figure accurately, let alone take concrete steps to raise the bar. **Consider the gains you would reap if your back office could realize such an improvement.**

Substantially lower operating costs. Service level improvements which blow the old targets out of the water. **Reduced error rates.** Stronger compliance with corporate and regulatory standards for prompt, high-quality execution. And a **competitive, empowered workforce** that takes on the cause of effective and efficient operations because it aligns with their own professional goals.

---

**BREAKING PATTERNS**

Back office employees are accustomed to autonomy and a climate of trust, but the numbers don’t lie. Most organizations cannot reliably count on staff to spend more than half of their office time on productive business tasks. Although the average back office employee spends an hour of scheduled time per day on random Web surfing and social media, rogue Internet use is only part of the problem. Repetitive, frustrating tasks also eat up a substantial amount of time that could otherwise be spent on productive work.
Making positive, transformative changes in the back office means throwing away assumptions about what cannot be changed. Performance-oriented organizations challenge the status quo and bring new techniques to bear in every aspect of back office operations.
The payoffs are considerable:

The transformed back office can quantify the contributions of every employee. Not simply in aggregate on a site-by-site basis, but at the individual and team levels as well.

The transformed back office connects coaching with quality and results, driving continuous improvement into the onboarding and training processes.

More Effective Staff

In the performance-driven back office, employees are expected to spend more of their time on-task.

But the organization plays an important role as well, driving waste, complexity, and repetition out of common procedures.

That commitment is crucial to securing employee buy-in.

Less Wasted Time

In the high-performance back office:

- Best practices are identified, mapped, and clearly communicated.
- Future workloads are forecasted based on past data and future expectations.
- Staffing levels are aligned to forecasts.
- Performance metrics are clearly stated, understood, and accessible to everyone.

More Business Clarity

CUSTOMER STORY: Fidelity Information Services (FIS)

The world’s largest global provider of banking and payment technologies embraced a back office performance transformation and reaped these rewards:

- Reduced hiring growth rate
- Increased efficiency
- 81% reduction in claim processing time
- Reduced legal budget due to lower error rates
TRANSFORMING OVERSIGHT

At any moment, someone in your organization is making a mistake, while someone else could be discovering a nifty process for shaving minutes off the processing time of a complex transaction. And another still may be doing nothing at all. Performance-oriented back offices know which is which by taking an active stance about oversight with the help of activity monitoring. Activity monitoring provides objective, authoritative, and reproducible insights about whether your work is being done correctly, or at all. The records provide valuable insights into the biggest non-productive activities in your organization, laying the foundation to reduce timewasting.

Oversight is far more than just knowing if your employees prefer to spend leisure time on Facebook or Twitter. With activity sessions logged and tagged by client and type of work unit handled, monitoring can greatly expand your understanding of best practices, and recorded sessions can be used as peer training tools. Organizations that lack strong, up-to-date time standards for work units can use monitored activities to develop new benchmark values.

Process-level monitoring allows the different methods of each agent to be evaluated and compared, helping sort best practices from those which need coaching or correction. It also allows managers and supervisors to spot systematic inefficiencies which should be addressed across the entire organization.

Regulation and Internal Oversight

Employee activity monitoring, as well as the insights and process documentation it provides, are particularly valuable to highly regulated back office environments. Managers can explore root causes of any compliance failure. When non-compliant behavior occurs, leadership can quickly explore whether it was an isolated incident, or widespread across a team, site, or employee cohort.

By providing the insights necessary to stop problems from reoccurring, monitoring can substantially reduce ongoing risk from improper procedures, and ultimately reduce the budget lost to violations.
TRANSFORMING ATTENDANCE

Every month brings new challenges, and every employee has a unique combination of skills and work availability. Rather than forcing employees to conform to a basic, inflexible work pattern, the transformed back office applies finesse to the problem, bringing detailed analysis and extensive data to the scheduling process.

Matching up available workers to best suit demand is only natural for back office managers eager to meet their service level agreements and internal goals for work volume and turnaround time. Digging into employee availability and work inventory backlog status each time a new schedule is generated gives the back office the best chance to stay on target for the upcoming work period.

In addition to backlog data, forecasted demand plays a significant role in transformational scheduling. Instead of managing the overall workforce numbers on intuition and last quarter’s metrics, forecast-driven scheduling gives organizations the insights they need to staff up to meet demand, and adjust team compositions if demand is expected to fall.

Enhanced scheduling benefits employees as well. Sophisticated solutions provide vacation planning guided by flexible, equitable rules that your organization defines, be it seniority or merit-based. This brings order and fairness to time-off planning, increasing employee satisfaction.

TIME WASTERS AT WORK

23% Socializing
45% Surfing internet
7% Personal business
25% Other

TOP 5 TIME WASTING INDUSTRIES

1. Insurance - 2 hours, 30 minutes/day
2. Public sector - 2 hours, 24 minutes/day
3. Research & Development - 2 hours, 18 minutes/day
4. Software & Internet - 2 hours, 12 minutes/day
5. Education - 2 hours, 12 minutes/day

CUSTOMER STORY: Contax

South America’s leading business process outsourcing firm committed itself to a performance-driven back office culture with enterprise-wide workforce management and activity monitoring.

Payback came quickly and offers ongoing dividends:

- 30% improvement in employee production time (Earned Hours)
- Improved employee satisfaction with automated schedule trades
- Enhanced service to over 200 corporate clients
- Reduced overtime to idle employees by measuring handle times
Complex back offices deal with several types of work units. Employees can be rated according to their skill levels to handle each work type. With this multiskill approach, the organization can schedule with the supply and demand of each skill in mind. Categorizing in this way is tremendously valuable: multiskill simulations and staff assignments are consistently up to 20 percent more accurate than single-skill simulations.
TRANSFORMING EMPLOYEE PERFORMANCE AND QUALITY

Having the right people on the right tasks at the right time is crucial for back office transformation. Over the long term, however, a deep commitment to consistent measurement, evaluation, and reporting of employee performance and quality is even more important. Detailed performance metrics unlock insights at the individual, team, and site levels that might otherwise be buried in aggregate data:

- Who are your top performers?
- Who needs coaching, and what do they need coaching on?
- Are the coaches being effective, and are the coaching sessions leading to positive results?

Answering these questions is the surest way to drive long-term improvements in error rates and handle times, and avoid costly rework. Employees who exceed averages and goals for productive hours and items completed should be recognized and emulated, while employees trailing the field in productivity should be coached on the root causes of sluggish or mistake-prone processes.

Consistent quality standards also make it possible to reward and recognize top performers on both the quality and quantity of work they do. Individuals and groups should be encouraged with incentives that are sensitive to deadlines, high-value tasks, and low error rates.

Quality and the Customer

Think a few percentage points in an employee’s quality rating don’t matter? Ask your customers. Making more mistakes faster won’t impress customers, who at best will demand that errors be corrected and at worst could defect to a competitor over the error. High quality output is directly correlated with higher customer satisfaction, and should be part of any balanced scorecard approach to measuring employee performance.
THE BALANCED PERFORMANCE SCORECARD: A MATTER OF WILL, OR SKILL?
Real insights into employee performance don’t come from isolated figures, but from the perspective of a complete overview of all work activities. A balanced scorecard looks not simply at work units logged or overtime claimed but delves into questions of productivity, quality, and proficiency. The scorecard makes it possible to identify if underperforming employees are lagging because they lack the will or because they lack the skill—or if they simply haven’t had their full potential tapped yet.

Low Time Compliance (Actual Productive Hours / Scheduled Hours) is a classic indicator of the unfocused employee with a lack of will, easily distracted but a hard worker when on task. Low proficiency (Earned Hours / Actual Productive Hours) can point to an employee who stays on-task but lacks the skills to complete work at an acceptable pace. In the interactive example below, Sue would appear to be an outstanding performer based on simple measures of time compliance and productivity—a dedicated employee. But her poor quality scores diminish her overall score. Joe, who is not the most proficient, devoted, or productive employee, does happen to be the least error-prone, and therefore the most valuable to the back office.

The high-performance back office does not simply create static reports and walk away. Stay engaged with employees and their performance with daily analysis. Daily fluctuations in productivity and proficiency can provide early warning before more significant problems occur. By drilling down into a lagging employee’s activities to spot troublesome work unit types, and using monitoring data to identify the exact source of the trouble, you can correct underperformance before it drags down quarterly ratings.

---

MOST VISITED TIME WASTERS AT WORK

- Facebook: 41%
- LinkedIn: 37%
- Yahoo!: 31%
- Google+: 28%
- Twitter: 25%
- Pinterest: 8%
- 1 hour & 14 minutes

a week are spent on social networks
WHAT IF YOU COULD DRIVE EMPLOYEE PERFORMANCE?

What if you could track work items completed?
What if you could convert items into earned hours?

Earned Hours = Items Completed x Time Standard

<table>
<thead>
<tr>
<th>Work Items Completed</th>
<th>Earned Hours</th>
<th>Scheduled Hours</th>
<th>Productivity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sue</td>
<td>65</td>
<td>32.5</td>
<td>35.5</td>
</tr>
<tr>
<td>Joe</td>
<td>68</td>
<td>28.5</td>
<td>32</td>
</tr>
<tr>
<td>Kim</td>
<td>65</td>
<td>30.5</td>
<td>34</td>
</tr>
<tr>
<td>David</td>
<td>62</td>
<td>24.2</td>
<td>26.5</td>
</tr>
</tbody>
</table>

Earned Hours / Scheduled Hours

What if you could measure Proficiency?

From Desktop Monitoring
Earned Hours / Actual Productive Hours

<table>
<thead>
<tr>
<th>Work Items Completed</th>
<th>Earned Hours</th>
<th>Scheduled Hours</th>
<th>Productivity</th>
<th>Actual Productive Hours</th>
<th>Proficiency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sue</td>
<td>65</td>
<td>32.5</td>
<td>35.5</td>
<td>91.5%</td>
<td>36.0</td>
</tr>
<tr>
<td>Joe</td>
<td>68</td>
<td>28.5</td>
<td>32</td>
<td>89.1%</td>
<td>27.5</td>
</tr>
<tr>
<td>Kim</td>
<td>65</td>
<td>30.5</td>
<td>34</td>
<td>89.7%</td>
<td>27.0</td>
</tr>
</tbody>
</table>

Balanced Score
90.9%
96.3%
101.3%
### What if you could measure Time Compliance?

<table>
<thead>
<tr>
<th></th>
<th>Work Items Completed</th>
<th>Earned Hours</th>
<th>Scheduled Hours</th>
<th>Productivity</th>
<th>Actual Productive Hours</th>
<th>Proficiency</th>
<th>Time Compliance</th>
<th>Balanced Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sue</td>
<td>65</td>
<td>32.5</td>
<td>35.5</td>
<td>91.5%</td>
<td>36.0</td>
<td>90.3%</td>
<td>101.4%</td>
<td>94.4%</td>
</tr>
<tr>
<td>Joe</td>
<td>68</td>
<td>28.5</td>
<td>32</td>
<td>89.1%</td>
<td>27.5</td>
<td>103.6%</td>
<td>85.9%</td>
<td>92.9%</td>
</tr>
<tr>
<td>Kim</td>
<td>65</td>
<td>30.5</td>
<td>34</td>
<td>89.7%</td>
<td>27.0</td>
<td>113.0%</td>
<td>79.4%</td>
<td>94%</td>
</tr>
<tr>
<td>David</td>
<td>62</td>
<td>24.2</td>
<td>26.5</td>
<td>91.3%</td>
<td>22.0</td>
<td>110.0%</td>
<td>83.0%</td>
<td>94.8%</td>
</tr>
</tbody>
</table>

### What if you could measure performance with a balanced scorecard including productivity measures and quality?

<table>
<thead>
<tr>
<th></th>
<th>Work Items Completed</th>
<th>Earned Hours</th>
<th>Scheduled Hours</th>
<th>Productivity</th>
<th>Actual Productive Hours</th>
<th>Proficiency</th>
<th>Time Compliance</th>
<th>Quality</th>
<th>Balanced Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sue</td>
<td>65</td>
<td>32.5</td>
<td>35.5</td>
<td>91.5%</td>
<td>36.0</td>
<td>90.3%</td>
<td>101.4%</td>
<td>82.0%</td>
<td>91.3%</td>
</tr>
<tr>
<td>Joe</td>
<td>68</td>
<td>28.5</td>
<td>32</td>
<td>89.1%</td>
<td>27.5</td>
<td>103.6%</td>
<td>85.9%</td>
<td>98.0%</td>
<td>94.2%</td>
</tr>
<tr>
<td>Kim</td>
<td>65</td>
<td>30.5</td>
<td>34</td>
<td>89.7%</td>
<td>27.0</td>
<td>113.0%</td>
<td>79.4%</td>
<td>92.5%</td>
<td>93.6%</td>
</tr>
<tr>
<td>David</td>
<td>62</td>
<td>24.2</td>
<td>26.5</td>
<td>91.3%</td>
<td>22.0</td>
<td>110.0%</td>
<td>83.0%</td>
<td>88.0%</td>
<td>93.1%</td>
</tr>
</tbody>
</table>
Empower employees to observe their own performance. Personalized dashboards and on-demand reporting of employee KPIs such as backlog, productivity, and SLA contributions help employees understand how their performance stacks up against individual and team goals. Making this information available at all times in turn frees up supervisors to spend more time coaching on complex concepts instead of compiling and parroting basic performance data.
The back office has earned a reputation for being steady. Reliable. Even predictable. Things don’t change much, year over year. But it’s worth making waves when the benefits of the high-performance life are so significant:

- Improved productivity
- Greater proficiency
- Higher employee satisfaction
- Lower transaction costs
- Lower employee turnover

It all starts by observing and recognizing the employees with the greatest talent and desire to outperform expectations. Their work ethic should be made the model of the self-service scorecard targets, and their efficient approach to complex problems can be distributed as best practices videos to the rest of the staff. Automated incentive plans, tied to performance and quality goals, can help reward the top performers and give their peers tangible improvement targets.

In the high-performance back office, coaching is not given randomly nor taken lightly. Tangible performance data and real-world desktop monitoring examples are turned into individual action plans for each employee, and closed-loop analysis reviews post-coaching performance to watch for improvement.

Even the best coaches cannot save employees from bad processes. With the insights gained from monitoring employee processes and analyzing productivity, leaders will weed out repetitive, error-prone manual tasks, and free up valuable staff time for more complicated problems.

A single version of the truth protects all stakeholders in the high-performance back office. This approach joins forecasted demand with employee scheduling, and puts the best people in place to succeed. If mistakes are made, comprehensive, auditable process monitoring will provide clients and regulators with the best possible answers in the shortest period of time.
What would a 10 percentage point increase in production time mean to your organization? Thousands of dollars per employee per year, for a start. See how your back office can be profitably transformed with this embedded ROI calculator.
All Eyes On Action

Shaken out of traditional roles shepherding as a “black box”, back office leaders now know they must move beyond monthly service level reports and the occasional site survey if they truly want to be part of a high-performance, world-class organization.

Only by taking charge of client expectations and demands, understanding backlog and projected workload, and being aggressive about employee productivity can the back office make that important leap. Greater attention to detail in the back office shines much-needed light on individual performance, which can in turn produce double-digit gains in employee productivity, efficiency, and quality. Pairing the right staff with the right task cuts down on errors and reduces handle times, which means fewer errors and enhanced regulatory compliance.

In the high-performance back office, leaders know all day, every day whether the organization has the talent, time, and drive to meet customer and business obligations, with a staff that is actively engaged but not over-worked. It’s time for the back office to set aggressive performance goals for performance, and exceed them. And it starts right here.

### REASONS FOR WASTING TIME AT WORK
(survey response, %)

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not challenged</td>
<td>35%</td>
</tr>
<tr>
<td>Long hours</td>
<td>34%</td>
</tr>
<tr>
<td>No incentive</td>
<td>32%</td>
</tr>
<tr>
<td>Unsatisfied</td>
<td>30%</td>
</tr>
<tr>
<td>Bored</td>
<td>23%</td>
</tr>
<tr>
<td>Low pay</td>
<td>18%</td>
</tr>
</tbody>
</table>


Adherence
The term used to describe how well employees follow their planned work schedules. May also be referred to as compliance to task.

Aging Buckets
Time periods in which work items are organized by type and urgency.

Auxiliary work state
A work state other than actively handling work items. For example, employees may go into an auxiliary work state to process paperwork or emails.

Available time
The amount of capacity available to complete work.

Backlog
An accumulation of uncompleted work items that need to be processed

Back office
The operating areas of a business that process orders, applications, claims, account management, loans, trouble tickets, disputes, white mail, email, payments, etc.

Base staff
The minimum number of employees needed to provide service in a given period of time. Also called “bodies in seats”. Does not account for non-productive work factors such as breaks, training, meetings, etc.

Benchmarking
The process of measuring performance against some set standard. Benchmarking in the contact center industry refers to comparing demographics, processes, and service with other organizations to identify strengths, weaknesses, and improvement opportunities in one’s own organization.

Blended environment
An operation that handles both inbound and outbound calls, but also work via other channels, such as back office.

Bodies in chairs
A term used to refer to the base number of staff needed on the phones to meet a speed of answer goal. The bodies in chairs number assumes staff are available 100% of the time to handle work items and does not yet include adjustments for staff shrinkage.

Business case
A process for the analysis, evaluation, and presentation of data to support a specific business need and its proposed solution. A business case is developed to demonstrate that a project is economically sound, will be well managed, and will benefit the enterprise.
**Calibration**
The process of validating time standards through desktop analytics.

**Capacity planning**
The process of determining the production capacity needed by an organization to meet changing demand.

**Contact management**
Software applications and systems that keep track of all customer contacts for subsequent contacts and as an audit trail.

**Contingency planning**
The process of determining what adverse situations might happen within a business, what can be done to prevent the problems from occurring, and how to react and recover if the situations should occur.

**Contract staffing**
A service utilized by businesses in which staff from outside sources are employed to work in the business. The staff are recruited and trained by the contract staffing agency and are employees of that agency rather than employees of the business.

**Customer relationship management (CRM)**
The strategy of identifying customer needs, improving customer interactions, and customizing contacts, sales approaches, and automation to provide optimum service to each type of customer to maximize the bottom line benefits to the organization. It is a broad term that takes into account people, processes and technology related to the acquisition and retention of customers, and the maximization of the value of each customer relationship.

**Cycle Time**
The total time from the beginning to the end of a process.

**Data aberrations**
Anomalies in historical data that may represent extremes in the data that should not be included in the forecasting process. Some aberrations may be valid repeatable events while others may be situations that will not occur again and should be normalized or discarded in the data analysis and forecasting process.

**Data mart**
A small, single subject warehouse used by individual groups of users.

**Data mining**
The automatic detection of trends and associations contained in a set of customer data.
Data warehouse
Collection of physical data stores designed to present an historical perspective of events or transactions that occur in an enterprise. Customer data is collected on a centralized basis to facilitate analysis and to be readily available to all departments.

Desktop analytics
Tracking the applications, screens and functions employees use while completing work items. This insight allows managers to identify employee knowledge gaps and training opportunities.

Desktop application
Computer software programs used to accomplish a variety of tasks. Word processors, spreadsheets, database, contact management, and graphics programs are all examples of desktop applications.

Detrending
The process in which the most recent twelve months of data are brought up to current levels by equalizing the effect of trend rate. The detrending process removes the influence of trend from a set of data so that true seasonal patterns can be identified.

Economies of scale
The principle of gaining better efficiencies through larger group sizes. For example, twice as many calls does not require twice as many staff or trunks to handle because of inherent efficiencies of larger offered call loads and larger groups.

Employee status
The current work mode of an employee, such as busy, available, unavailable, idle, locked, etc.

Forecasting
Using historical work volume and staffing levels, creating a prediction of likely future staffing needs.

First contact resolution
The situation in which a caller’s question is answered or problem solved during the initial call without requiring follow-up contacts. First call resolution has a high correlation rate with overall customer satisfaction.

Full-time equivalent (FTE)
Full-time equivalent person, equal to the number of total scheduled person hours divided by the number of hours per week which constitute a full-time person (e.g., 40 hours, or 35 hours). FTE may consist of several part-time individuals whose combined work hours in a week equal the full-time person.

Full coverage scheduling
The type of scheduling process that creates schedules so that every single half-hour period is covered.
**Funnel forecasting**
The process of starting with an annual forecast and narrowing to smaller monthly, then weekly, then daily, then half-hourly forecasts.

**Gamification**
The use of game thinking and mechanics in non-game contexts to engage employees, encourage friendly competition, and increase performance.

**Handled item**
A work item that has been handled by an employee.

**Idle time**
An activity state in which the employee has stopped using his or her workstation.

**In-sourcing**
Another name for contract staffing. The practice of using an outside entity to recruit, hire, and train staff. These staff may be the employees of the company or of the staffing agency.

**Intraday management**
The ability to manage workloads in real time, in order to manage resources to assure service levels.

**Key performance indicator (KPI)**
The most critical measures of performance in any organization, typically productivity measures.

**Knowledge management system**
A technology that contains a database of knowledge and pertinent information related to handling work items.

**Labor saturation rate**
The rate that measures to what degree a position already exists in a certain population. It is commonly used to measure to what degree qualified staff may be available in a certain labor market and is calculated by dividing the number of specific positions by the working population for that area. A labor saturation rate of under two percent is considered to be desirable in finding needed staff, while a labor saturation rate of over five percent may indicate not enough qualified workers will be available.
Lock time
An activity state in which the employee has locked their workstation.

Management by walking around (MBWA)
The common practice in many businesses, involving supervisors and managers physically walking through the environment to observe contact handling and overall performance.

Metric
A measure of performance.

Mission statement
The statement that defines an organization’s purpose and operating principles.

Monitoring
The practice of reviewing employee work items to assess the quality with which the work is handled. Also called service observation.

Occupancy
The percent of logged in and available time that an employee spends in active work item handling versus in the idle or locked or non-productive states.

Outsourcing
Contracting with an outside company to handle some or all of an organization’s work with customers.

Performance management
A data-oriented management system designed to align resources, systems and employees to achieve strategic objectives and priorities.

Performance standards
A set of goals or objectives that define the ideal behaviors to be followed or service goals to be obtained

Point estimation
The type of forecasting approach that uses a single point in history to make a future prediction. The point estimation approach is not an accurate means of predicting future work volumes for most businesses since it may not account for recent trends.

Process Optimization
The discipline of adjusting a process so as to optimize throughput and quality.
Process visibility
The ability to accurately and completely view an entire process in a timely manner, for the purpose of uncovering best practices as well as inefficiencies.

Production time
The time during which a line of business is performing work or is available to perform work.

Quality management
A system that ensures a product or service is performed consistently well.

Quality monitoring
The act of monitoring activities to ensure they are being handled in a desired fashion. Quality monitoring may be accomplished via active, side-by-side monitoring, or by remote, silent monitoring.

Queue
The “waiting line” for delayed work items. A queue holds the item until an employee is available.

Real-time adherence
Measurement of how closely employees stick to their planned work schedule. In the back office, real-time statistics are available through desktop analytics to show the current state of any employee; these states can be compared to employee’s schedule to determine adherence at any point in time.

Remote employee
An employee physically located outside the work site. These employees are usually connected to the office using telecommunications links into work site processing systems.

Schedule
A record that specifies when an employee is supposed be on duty. The complete definition of a schedule is the days of week worked, start time, break times and durations (as well as paid/unpaid status), and stop time.

Schedule adherence
The degree to which employee comply with scheduled start, stop, and break times in their work schedule.

Schedule exception
Any activity not planned in an employee’s work schedule, including meetings, training sessions, unscheduled breaks, and absenteeism.
**Schedule horizon**
The time period between schedule creation cycles.

**Screen pop**
Any technology which presents corresponding data on the computer screen simultaneously with the incoming work item.

**Screen recording**
A digital recording of a computer screen output. May also be called a video screen capture.

**Seasonality**
The regular, predictable differences experienced in business levels from one period of time to another.

**Segmentation**
The process of dividing customers into multiple categories so that each category can be prioritized differently. For example, high value customers may have a more responsive service level agreement than lower value customers.

**Service level agreement**
An agreement entered into by two or more parties that define various aspects of services that will be provided from one to the other. In back office environments, a company may be fined or otherwise sanctioned for failing to meet service level agreements.

**Service quality**
A measure of how well a work item is handled. Associated metrics include first-pass yield and rework.

**Shrinkage**
The percent of paid time that staff are not available to handle work items. Shrinkage must be factored into staffing requirements to account for activities such as breaks, meetings, training time, and non-work activities, paid leave, etc. so that sufficient staff will be scheduled to meet service goals.

**Skill-based routing**
A method of assigning tasks in which work items are routed to the person best able to handle the work efficiently, rather than to the first person available to do the work.

**Staff-to-workload ratio**
The comparison of staff hours to the hours of operation. In a situation where 125 people are available to handle 100 hours of workload within an hour, the staff-to-workload ratio is 1.25.

**Staggered schedules**
Schedules in which start times are staggered throughout the hour, such as starting every 15-minute increment of the hour instead of just on the hour.

**Supervisor**
The person who has first-line responsibility for the management of a group of employees. Responsibilities include monitoring and measuring performance, coaching, assisting with difficult work items, training, and scheduling tasks.
Telecommuting
Work performed at a site other than the main work site that allows remote employees to perform job duties and to communicate with the office without actually traveling to and from work.

Teleconferencing
A conference between persons remote from one another but linked by a telecommunications system.

Tick sheet
A form used to collect data in real time at the location where the data is generated. In back office environments, this data is then recorded manually by observing the work types and number of marks on the sheet.

Time and Motion Study
A methodology for establishing time standards through direct observation and recording of time spent as work is being performed.

Time series analysis
A method of forecasting future events by analyzing past history and trends. Past data is analyzed to isolate effects of trend rates and seasonal factors.

Trend rate
The rate of change in demand for completed work experienced from one point in time to another, usually calculated as a monthly or annual growth rate.

Turnover
The rate at which employees leave the organization. Also called attrition rate.

Unavailable time
The amount of time the employee is not ready to accept work items. Unavailable time may include breaks, lunches, auxiliary time for processing administrative work, etc.

Virtual work site
The concept of having network and employee resources located at multiple physical sites perform as if all resources were located at a single site.
Work Inventory management
The ability to view current and future work inventory, allowing managers to assign work items to accommodate the needs of the business.

Workflow management
A process that outlines how a task or set of tasks is to be performed. It involves analyzing a task and breaking it down into discrete steps, including what information is needed at each step as well as what the next step(s) in the process should be.

Workforce management
The art and science of having the right number of employees, at the right times, to answer an accurately forecasted volume of incoming work items at the service level standard set by the business while minimizing cost.

Workforce management system
A software system that automates the tasks of forecasting work, determining staff requirements, creating staff schedules, and tracking performance of employees and business as a whole.

Workforce planner
The person responsible for forecasting workload and developing work schedules for employees.
NICE (NASDAQ: NICE) is the worldwide leader of software solutions that deliver strategic insights by capturing and analyzing mass quantities of structured and unstructured data in real time from multiple sources, including, phone calls, mobile apps, emails, chat, social media, and video. NICE’s solutions enable organizations to take the Next-Best-Action to improve customer experience and business results, ensure compliance, fight financial crime, and safeguard people and assets. NICE solutions are used by over 25,000 organizations in more than 150 countries, including over 80 of the Fortune 100 companies.

www.nice.com