THE CONTACT CENTER LEADER’S
“5-P” GUIDE
TO HEALTHY WORKFORCE MANAGEMENT

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Behind every healthy contact center is a **healthy workforce management (WFM)** function. Don’t see the connection? Consider this:

- Contact center staff and labor equates to approximately 75% of a typical organization’s total costs, with the other 25% attributed to facilities, technology and networking related expenses
- There is one function responsible for the efficient use of that labor and that function is workforce management

All contact centers exist for one reason and one reason only: **to handle customer contacts**. Each contact center also shares **two key objectives**:

1. **To make money and drive revenue by offering excellent customer service**
2. **To save money and minimize expenses by running an efficient operation**

Agent labor is the resource that powers customer service. Agent labor is also the primary contributor to an operation’s costs. As a result, it’s necessary to optimize the use of agent labor to ensure there’s an effective balance between service and efficiency. Balancing customer service and operational efficiency through the optimal use of agent labor is what (healthy) workforce management is all about.

As you can see, there’s a lot more to workforce management than getting the right people in the right place at the right time. Workforce management is one of the most critical functions in your contact center, but it’s also one of the least understood.

To ensure the health of your contact center and make WFM work for you, it’s important to understand and embrace the 5-P’s of workforce management. This ebook will take you through each of the 5 (Principles, Practices, Processes, People, Products) and will provide you with “Healthy Start” tips along the way. Finally, we’ll provide you with a checklist identifying common attributes found in high-performing contact center environments all over the world. With this checklist in hand, you’ll be well on your way towards improving the health of your WFM function and your contact center.
Workforce Management principles represent the fundamental “truths” about the manner in which contact centers ensure their customer contacts are handled efficiently. Like the fundamental truths of physics at work in the universe, workforce management principles are at work in your contact center whether you understand them or not.

- All contact center leaders are faced with the same challenge of how to do more with less but not all experience the same results.
- The more a leader understands the principles of workforce management, the better he is able to harness the power of WFM to handle more customer contacts with fewer agent resources and “do more with less.”
- Applicable to all contact center organizations, workforce management principles are there to provide the necessary foundation for the decisions you make about how you staff your contact center, the technology you use, the processes you put in place and roles and responsibilities you assign to your team.

Workforce Management Principles Fall Into 4 Primary Categories:

1. Forecasting Principles support your contact center’s need to accurately predict how many agents to hire and schedule in order to handle anticipated customer contacts within a given service level goal.

2. Scheduling Principles support your contact center’s need to efficiently plan each agent’s time in a way that accommodates their personal needs, accomplishes necessary operational activities and ensures sufficient coverage of forecasted resource requirements.

3. Intraday Management Principles support your contact center’s need to proactively respond to changes in customer demand and agent availability in order to meet service level objectives consistently throughout the day.

4. Performance Reporting Principles support your contact center’s need to monitor its effectiveness against a standard set of metrics to ensure that any issues are quickly identified and eliminated in the future.

Forecasting
Accuracy is the mark of a healthy forecast. The more accurate the initial forecast, the more prepared the center is to handle customer demand and optimize its use of agent resources.

Scheduling
A healthy schedule is one that efficiently covers forecasted customer demand and that strives to meet the flexibility and lifestyle needs of the agents.

Intraday Management
Healthy intraday management is one that “proactively reacts” to changing contact center conditions in order to maximize interval service level attainment.

Performance Reporting
Actionable insight is the mark of healthy performance reporting in order to identify and address root causes of any issues and ensure continuous improvement.
**GET A HEALTHY START:**

- **Service Level Attainment**, as opposed to Average Speed of Answer or Abandon percentages, is the best indicator of your business's performance as it relates to contact handling efficiency. But when it comes to Service Level, the bigger your measurement, the easier it is to “look” good. Reporting monthly, weekly or daily averages can hide huge inefficiencies and less-than stellar customer service.

- To measure your contact center’s **true Service Level performance**, and to identify specific opportunities for improvement, try the **banded method**:

  1. Establish an acceptable range, or “band” around your Service Level target. For example, if your target is 90/30, your band might be anything between 95/30 and 85/30.

  2. On a daily basis, report the percentage of intervals when your Service Level fell within the band, above the band and below the band (the total should equal 100%)
The phrase “set it and forget it” could be used to describe many contact centers’ approach to establishing service level targets. Unfortunately, this practice can be a costly one if the targets set are not the right ones.

A target that’s too low will wreak havoc on wait times, customer perception and sales opportunities and will drive high abandonment rates.

A target that’s too high may seem as though it’s good for the customer, but if higher than necessary, labor costs will be the result.

If you weren’t around when your service level targets were established, it’s time to review (and possibly revise) the most important metrics at your center.

Setting the right service level target is a little bit art and a little bit science. Here are some “best practice” tips help:

- Benchmark other centers with similar contact types, but forget about “industry standard” - there is no such thing when it comes to service level.

- Don’t use the “one-size-fits-all” approach and assign the same target to all contact types. SL targets should be established based upon the budget and customer wait tolerance specifics of each contact type.

- Instead of average speed of answer (ASA), which does not take into account abandon calls, analyze average time to abandon statistics for your various contact types when setting the “seconds” portion of your SL target. Your customers may be willing to wait longer than you think.

- Set a target your budget will allow you to meet consistently. Answering 95 percent of your contacts in 20 seconds sounds like a worthy goal, but if you don’t have the budget to fund the additional staffing it takes to meet this objective, your SL target will be a meaningless measure.

- Your service level targets don’t have to exist in perpetuity. Like everything else in your center, they should be subject to routine check-ups.
Workforce management processes represent the various activities and tasks associated with actually performing the work of workforce management. Every contact center has processes associated with the following four activities:

- **Deciding** how many agents to hire and staff (FORECASTING)
- **Determining** who works when and how to accommodate activities like vacation, training and meetings (SCHEDULING)
- **Reacting** to intraday customer demand and staffing availability (INTRADAY MANAGEMENT)
- **Measuring** individual agent and contact center performance (PERFORMANCE REPORTING)

Almost all contact center organizations understand the importance of having well documented processes (aka “methods and procedures”) in place for front-line staff. Yet many fail to recognize the necessity of documenting operational processes, especially for support functions like workforce management. In addition to providing a roadmap for what to do when, documented WFM processes:

- Eliminate risk and maximize the financial return on WFM technology investments
- Minimize over-dependence on specific individuals and protect the mindshare of the organization
- Act as an essential guide when cross-training or bringing in new members of the team
- Reduce operational ambiguity and ensure a common understanding across functional groups
- Identify how to apply specific features of a WFM system to automate and streamline tasks

The easiest way to begin is to simply make a list of the routine processes that take place repeatedly at various time periods (see examples below). What you’ll end up with is a checklist you can use to document your progress as you document each process.

Remember - a picture can speak a thousand words, so include screenshots and diagrams when possible.

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For each process, answer the following:

- What is the purpose/desired outcome of this process?
- Who is involved in this process (think job titles as opposed to names of specific individuals)?
- What systems and/or documents are used in this process?
- What are the steps to complete this process?
- What other related processes proceed or follow this specific process?

GET A HEALTHY START:

- When you don’t have documented processes, your contact center becomes vulnerable to a key member of the WFM team winning the lottery (or getting hit by a bus). Neither of these scenarios is good for your business, so the time to begin a process documentation project is now.

- If you’re starting at ground zero, you don’t want to get caught up in being overly perfectionistic. More detail is better, but something is better than nothing.
Workforce management people are those who bear responsibility for actually doing the work of workforce management. The obvious players include:

- **Forecasters** responsible for accurately determining the number of agents to hire and staff in order to meet service level targets
- **Schedulers** responsible for efficiently planning agent time and activities against forecasted staffing requirements
- **Intraday analysts** responsible for effectively responding to changes in requirements and agent availability in order to maximize service level attainment

The not-so-obvious players include:

- **Senior leadership** who are responsible for communicating the strategic value of WFM to the organization and holding people accountable for following established processes
- **Human resources** who partner with WFM in developing hiring plans and scheduling practices that meet the needs of the contact center while considering the personal needs of the agents
- **Members of marketing** who provide critical insight into sales initiatives and campaigns that may drive volumes or impact average handling times
- **New hire trainers** who teach agents how to efficiently handle customer contacts and who prepare them for success by reviewing key contact center metrics like average handling time and adherence
- **Members of IT (Telecom)** who are responsible for communicating routing changes that have the potential to impact volumes and for soliciting input on the effectiveness of current strategies
- **Supervisors** who are responsible for ensuring the agents on their team handle contacts effectively, adhere to scheduled activities and who act on their behalf when schedule changes are needed
- **Agents** who are ultimately responsible for meeting the needs of the customer in the most efficient manner possible

Getting the obvious and the not-so-obvious players on the same page is not an easy task, but it’s worth the effort. When you create a **culture of collaboration** where people view the workforce management function as everyone’s job, you eliminate corporate silos, minimize finger pointing and create an open environment where people work together to achieve the center’s objectives.

**GET A HEALTHY START:**

Information is power. When educating staff on WFM principles, include members of support organizations like HR and IT. Greater understanding will pave the way for increased collaboration.

Identify individuals within these groups who can provide input into WFM process design and who have the authority make decisions regarding their organization’s involvement on a routine basis.

Creating SLA documents (service level agreements) is a great way to secure buy-in with other support organizations as well as on-going support, communication and accountability.
Workforce management products are the solutions, systems, tools and technology used to automate the WFM function and to balance your contact center’s two primary objectives of customer service and operational efficiency.

Excel spreadsheets may be sufficient for creating basic forecasts and schedules. But as your operation grows and becomes more complex, your contact center will not be able to reach its potential without the aid of an automated WFM system (aka “PRODUCT”).

Unlike Excel, WFM systems are designed based upon an understanding of fundamental workforce management PRINCIPLES applicable to all contact center organizations. Inherent in this design is the flexibility to accommodate a variety of business PRACTICES so users can tailor them to the specific needs of their operation. One of their most significant benefits lies in their ability to streamline routine tasks and activities and to automate manual PROCESSES, which serves to minimize administrative costs. And unlike Excel, WFM systems can be integrated with other systems and leveraged across the organization, providing PEOPLE with insight into performance and data for decision-making.

PRODUCTS

GET A HEALTHY START:

- WFM systems can yield significant return on investment (ROI) potential for organizations graduating from Excel-based processes. But there are also ways for organizations that have already invested in WFM technology to maximize their return.

  INTRODUCE more flexibility into existing scheduling rules so the system can meet customer requirements with greater efficiency and fewer agent resources

  IMPLEMENT agent empowerment features to minimize administrative workload and engage front-line staff by allowing them to self-manage aspects of their schedule and performance

  INVEST in new capabilities offered in later versions of your system in order to take advantage of customer-driven enhancements that can yield greater results and minimize administrative effort

PROCESSES

PRACTICES

PEOPLE

PRINCIPLES
### Check-Up on the Health of Your Workforce Management Function

The checklist below identifies common attributes found in high-performing contact centers where the leadership team embraces the WFM function as an important and vital component of their business. As you use this list to strengthen the WFM function at your center, you'll begin to reap the benefits of better customer service, improved agent satisfaction and increased operational efficiency. Remember, the health of your contact center is dependent upon the health of your Workforce Management function.

#### PRINCIPLES

- Our leadership team understands how the WFM function impacts our contact center’s success
- We work to ensure all members of operations are familiar with fundamental WFM principles
- New hire agent training includes an overview of WFM’s purpose in the contact center
- What we measure and how we measure it reflects our contact center’s true performance

#### PRACTICES

- Our service level targets are based upon the customer wait tolerance of each contact type
- Our scheduling practices reflect a healthy balance between efficiency and agent satisfaction
- Our change management practices promote visibility and support proactive decision-making
- We review KPI’s daily, perform root-cause analysis on issues and take steps to correct them

#### PROCESSES

- We have identified our yearly, quarterly, monthly, weekly, daily, intraday, real-time WFM processes
- We have documented our processes and have shared them with affected members of operations
- We have established service level agreements (SLAs) with members of other support functions
- We review our processes regularly and revise as needed to ensure completeness and accuracy

#### PEOPLE

- Our leadership team plays an active role in reinforcing the importance of the WFM function
- Members of operations and other support organizations understand how they impact WFM
- Our agents have insight into how their role contributes to the efficiency of the contact center
- Our WFM team has the resources they need to effectively support the entire center

#### PRODUCT

- We recognize how WFM technology supports customer service and operational efficiency objectives
- We have invested in an automated WFM solution and work to fully leverage its capabilities
- We invest in ensuring our staff is properly trained in using all of the system’s features and functions
- We make use of new system capabilities when available in order to maximize our ROI
Wise Workforce Strategies is a contact center training and consulting firm specializing in workforce management.

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