



Editorial Perspective:
*Go Back to the Future
for a Cutting-Edge Contact Center Today*



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by Frank A. Kovach

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Credit union contact centers are experiencing a "back to the future" moment in the contact center in which the cutting-edge power of today's Big Data metrics has paradoxically revealed the vital role that old school people management methods still play in boosting overall levels of service performance. After analyzing the credit union contact center reviews that my team at Advisors **Plus** has conducted over a five-year period, we found that one key variable—the degree to which senior management engaged in the contact center by taking time to walk around, understand the daily challenges and interact with the agents and managers— predicted a contact center's performance with near 100% certainty.

The 80s Called and They Want Their People Skills Back

This finding was not as surprising as it might seem for those of us who recall that back in the 1980s there was a popular management concept called Management by Walking Around. MBWA (yes, it even had its own acronym) was based on the theory that by engaging with employees and staying close to the action, senior managers could head potential problems off at the pass and foster a culture of teamwork and efficiency across the organization.

Yet as the decades progressed and the size of neckties and shoulder pads shrank, MBWA went from trendy to throwback as the dramatic growth in Big Data and analytics in the contact center began to emphasize metrics over the people behind them.

We wondered—could our findings mean that the principles of Management by Walking Around might be worth a second look by modern credit union management—no leisure suits required?

Quantifying the Importance of Engagement

We found that contact centers performed better across the board when senior management was involved. For example, Abandon Rates and Speed to Answer average approximately 22% better in engaged contact centers. Figure 1 compares key metrics from two representative contact center reviews. The dramatic impact of senior management engagement is apparent, not only in average service level and NPS Score but surprisingly, even in annual turnover as well.

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Moreover, disengaged senior management has a measurable negative impact on the contact center. Nearly 100% of the contact centers we reviewed where senior management was disengaged had operational issues.

But even more concerning was the ubiquity of the disengagement problem: We judged approximately 50% of the total credit unions we reviewed to have disengaged management, which we often saw manifested in quantifiably higher costs and/or diminished service.

What IS Engagement and How Is It Measured?

When we measure engagement during our contact center review process, we look for whether senior managers understand and value their contact centers as key extensions of their brands. By contrast, we see a possible red flag when senior executives perceive their contact centers to be nothing more than a "necessary evil." But let's be clear: We don't expect to see CEOs putting on headsets to answer calls or COOs limbering up their typing fingers for live chat sessions. What we are looking for are senior managers who:

- make regular visits to the contact center
- engage with the manager and supervisors
- receive at least monthly performance reports
- understand the basic metrics used in a contact center, such as talk times, service levels, speed to answer, etc.

Walking the Walk Sends a Strong Signal

From an organizational perspective, where senior management chooses to focus its time sends a signal through the management ranks. By spending time on contact center issues, senior management telegraphs the importance of the contact center within the credit union's mission and the entire management team takes the cue to include the contact center in its plans.

For example, engagement could mean the difference between the IT Department sliding in a website change that prompts dozens of angry calls versus working with the contact center manager in advance to formulate an implementation strategy that minimizes member disruption.

The ROI of Engagement

But with a full plate of challenges and problems, it's understandable that senior management will often have more important things to do than spend time in the contact center, right? Wrong! In today's social media-driven world the stakes are higher than ever:

- 60% higher profits are reported by companies that prioritize the customer experience.¹
- 89% of customers will take their business to a competitor following a poor customer experience.²

¹ Murphy, E.C., & Murphy, M.A. (2002) Leading on the Edge of Chaos. Prentice Hall Press; 1st edition

² 2011 Customer Experience Impact Report conducted by Harris Interactive

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- After a poor customer experience, more than 26% posted negative complaints on social media.³
- 80% of people have changed a purchase decision due to a bad review they saw.⁴

Bottom line: With credit unions typically spending 7% of non-personnel expense-related dollars on advertising, why spend so significantly on member promotion and education just to undo your investment with poor service in the contact center?

Making Contact When and Where It Counts

Let's end with a simple case study. Stand in senior managements' shoes and ponder this question:

Your credit union is about to launch a major new product that your team has invested months of time and capital developing. Whom do you think will do a better job of selling it?

- a) Contact center agents who have never met you personally and only hear from you in e-mails or infrequent group meetings, OR
- b) Agents who see you on a frequent basis when you drop by the contact center, with whom you've worked to build personal associations, and to whom you've personally articulated your organizational philosophy and priorities

I don't know about you but I'll take "b" every time. But choosing "b" takes time. So start today when you have a few minutes. Take a left instead of a right down the hall; walk through your contact center and spend some quality time with the employees who comprise your number one direct member contact point. I promise you it will be time very well spent.

For More Information

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³ 2012 Oracle White Paper "Seven Power Lessons for Customer Experience Leaders"

⁴ 2011 Cone Online Influence Trend Tracker Survey



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About Advisors Plus Consulting Services Contact Center Consulting

Advisors **Plus** Consulting Services Contact Center Consulting uses best practices methodology and a proprietary database of benchmarks to help your credit union's contact center operate more efficiently and profitably.

Our team helps credit unions with:

- Contact Center Start Up
- ACD Routing & Scripting
- Key Metric Benchmarking
- Contact Center Optimization
- Staffing Analysis w/ERLANG C
- Organizational Structure
- Mystery Shopping
- Outsourcing Analysis
- Incentive Plans

Our average Net Promoter Score in 2012 was 91 as measured by client surveys.

About Advisors Plus

Advisors **Plus** was established in 2005 to provide consulting and marketing services to credit unions. Our range of services covers the key areas of strategy, credit cards, debit and checking, marketing, contact center, operations, and branch sales.

The experienced consultants at Advisors **Plus** work with a credit union's staff through the entire process from project analysis to implementation and management. Our goal is to ensure that each credit union client achieves sustainable business growth, exceptional member experiences and operational efficiencies.

As of December 31, 2012, Advisors **Plus** has superior NPS Scores of: 79 – Credit; 84 – Debit and Checking; 91 – Contact Center. For more information, please visit AdvisorsPlus.com.