

# icmi™ EMPOWERING CONTACT CENTER EXCELLENCE



TRAINING | EVENTS | RESOURCES | CONSULTING



Session 102:  
**Benchmark Your Way to World-Class  
Performance!**

Jeff Rumburg, *Managing Partner*, MetricNet, LLC

# Characteristics of a World-Class Contact Center

- Contact center consistently exceeds customer expectations – regardless of the transaction type
  - Result is high levels of customer satisfaction
  - Top Quartile Customer Satisfaction
- Business value is managed at or above industry average levels
  - Cost per contact is below industry average levels – bottom quartile on Cost per Contact
  - Revenue generated is above industry average levels
    - Telemarketing and Telesales
    - Debt collections
- Contact Center follows industry best practices
  - Industry best practices are defined and documented
  - Contact Center follows industry best practices
- Every transaction adds value
  - A positive customer experience
  - Improves customer loyalty, repeat business, and positive word-of-mouth referrals
  - ROI > 100%

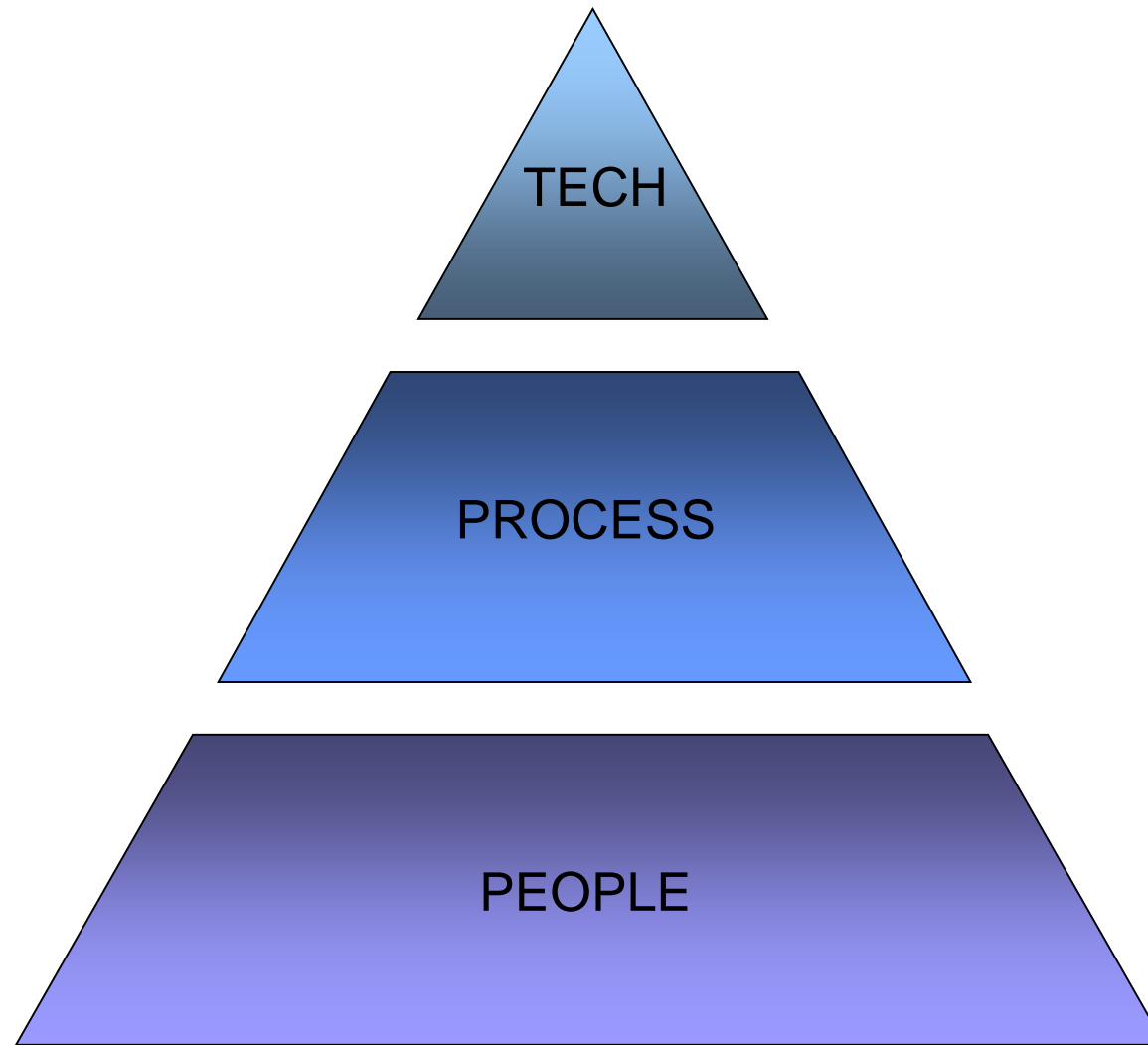
# 28 Years of Contact Center Benchmarking Data



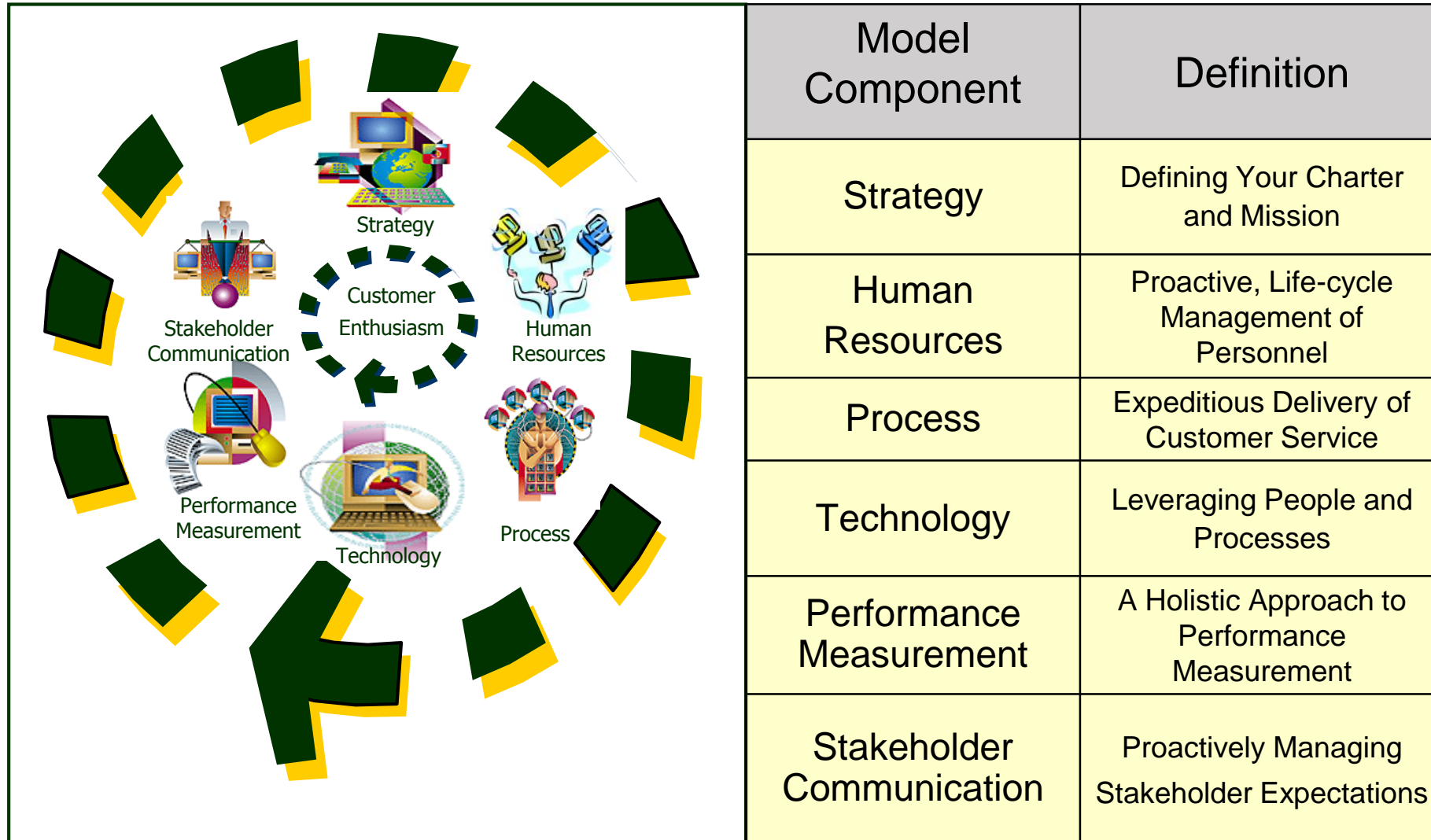
- Global Database
- More than 3,700 Contact Center Benchmarks
- 70+ Key Performance Indicators
- Nearly 120 Industry Best Practices



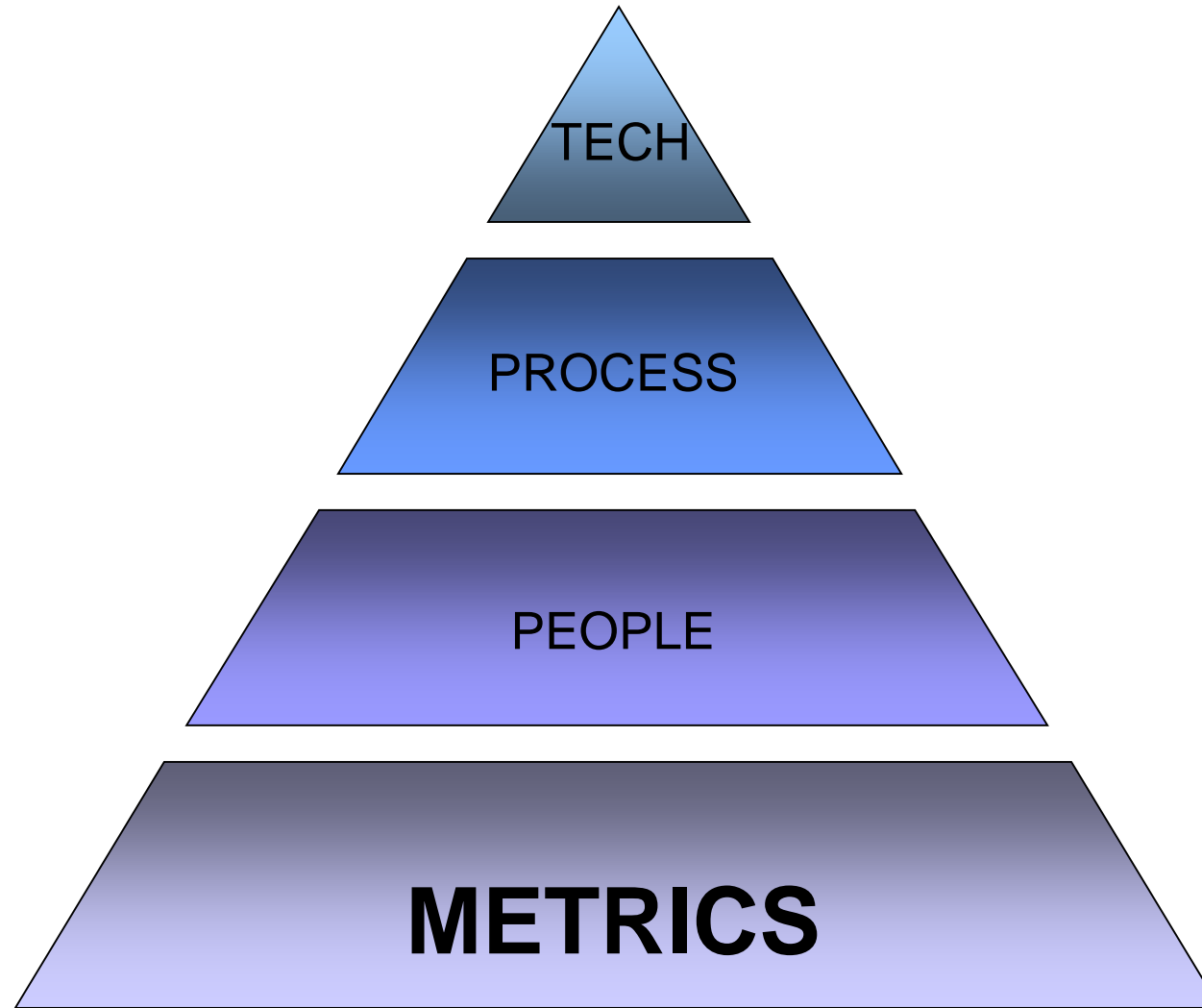
# The Traditional Paradigm for Contact Centers



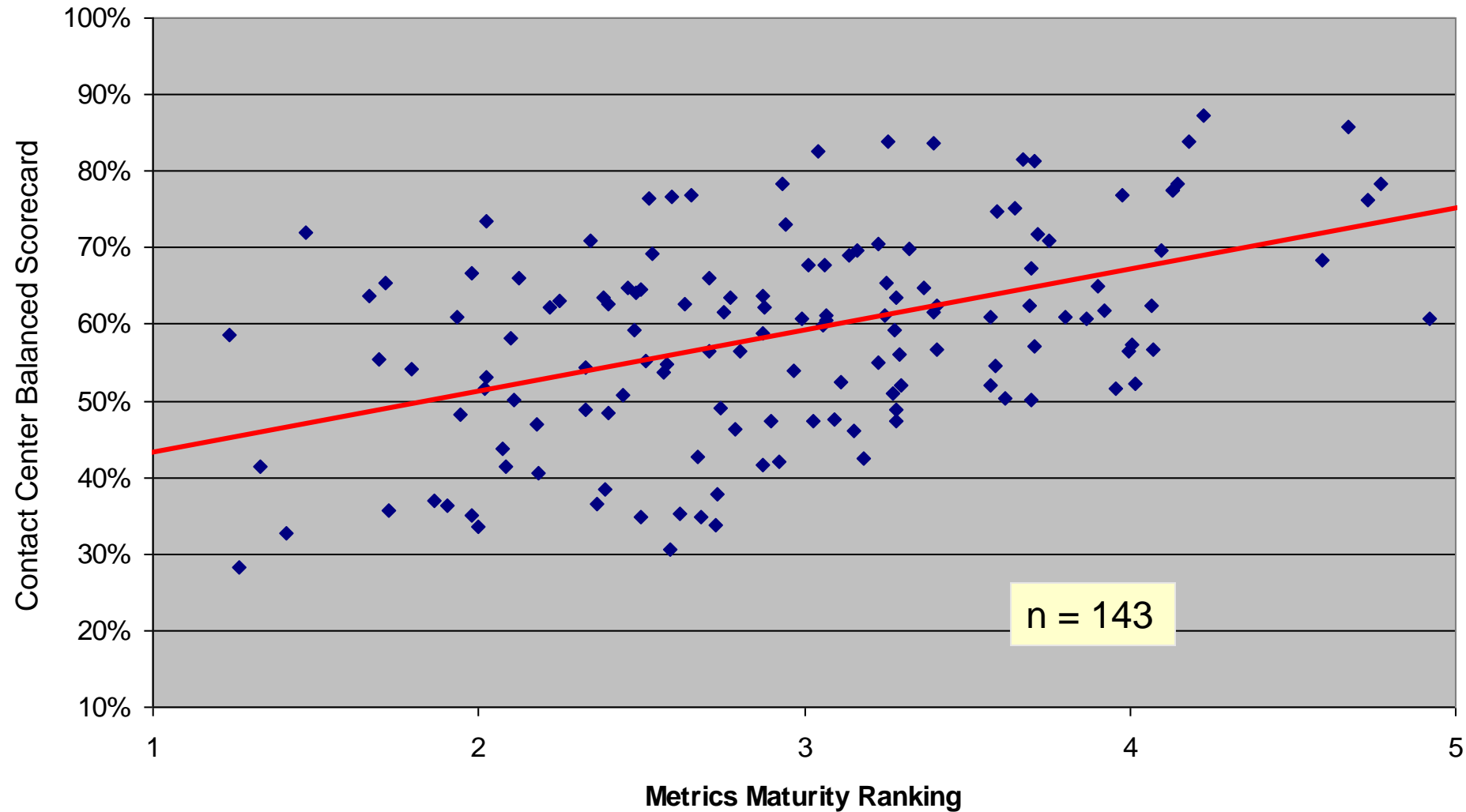
# Process Drives Performance!



# METRICS: An Even More Fundamental Building Block!

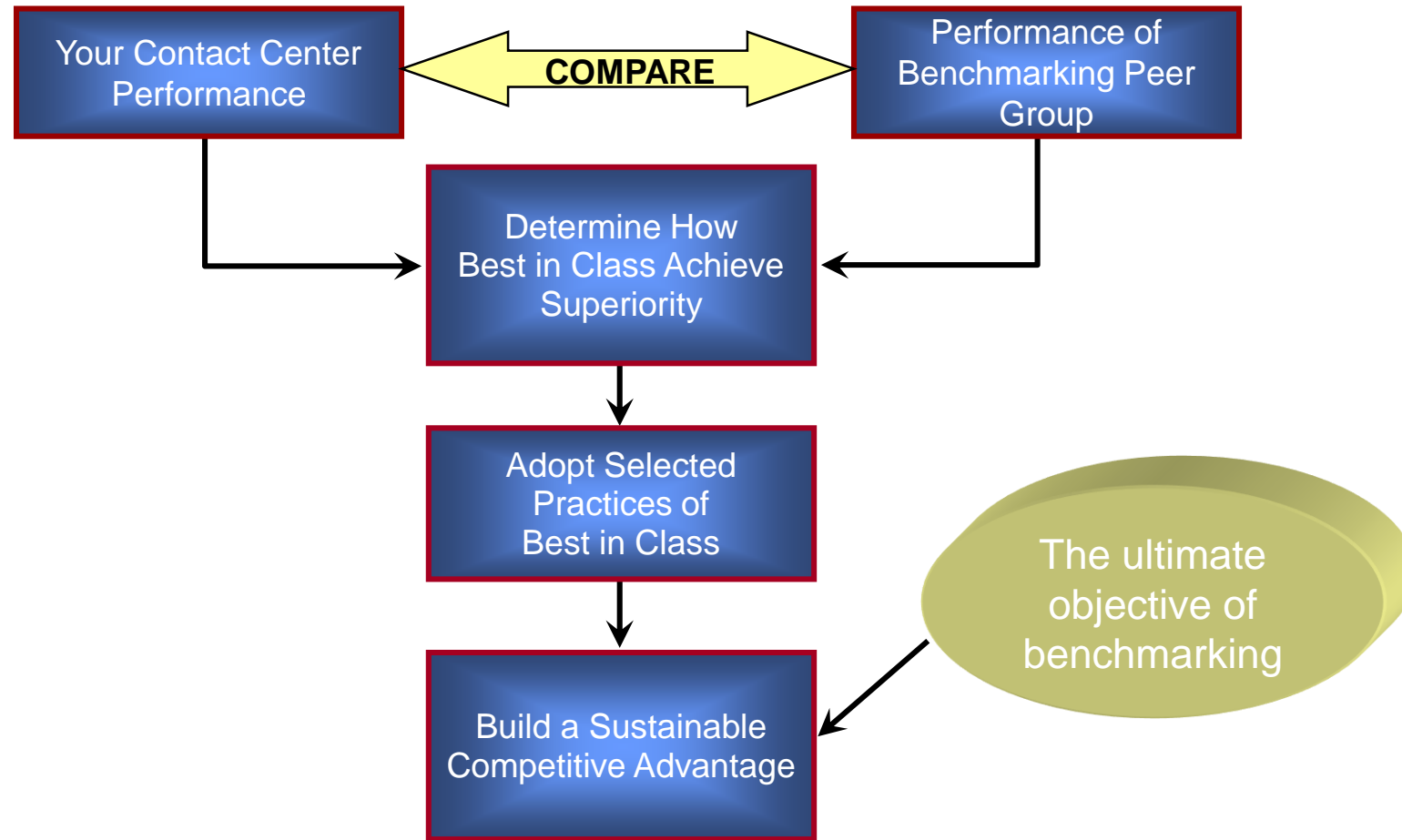


# The Evidence for Metrics as a Foundation Block





# The Benchmarking Methodology

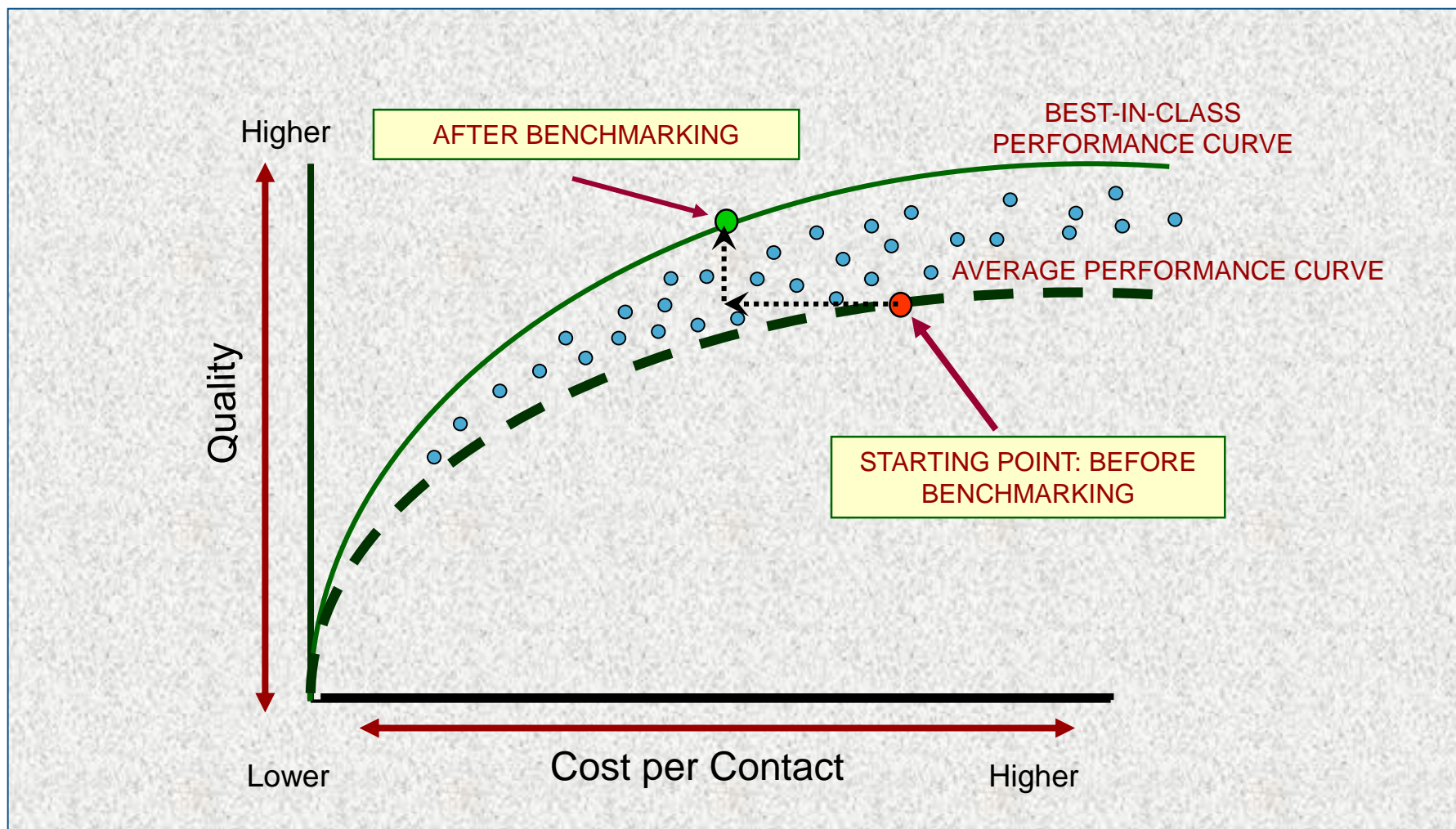


# The Power of Benchmarking

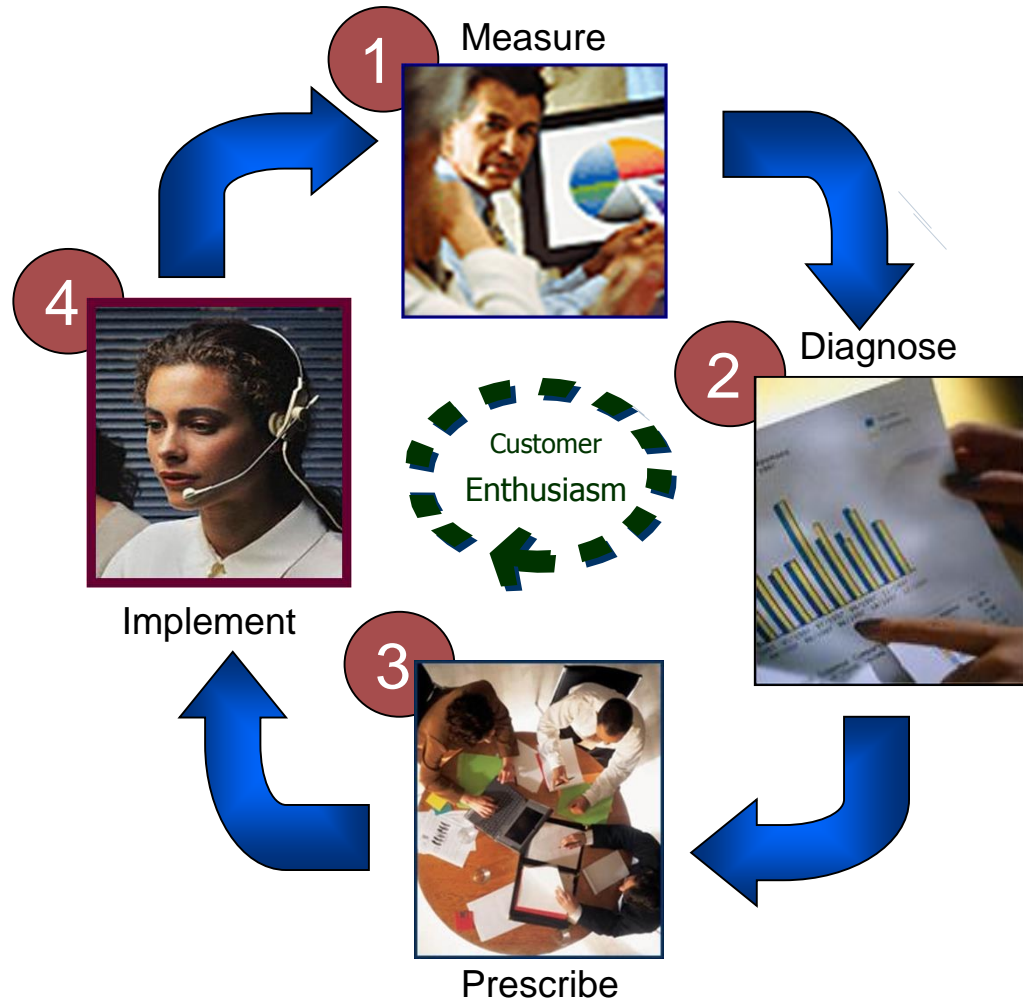
There is a 1:1 Correspondence  
Between Benchmarking and  
World-Class Performance.

*Yet fewer than 20% of all Contact  
Centers engage in benchmarking!*

# The Goal of Benchmarking

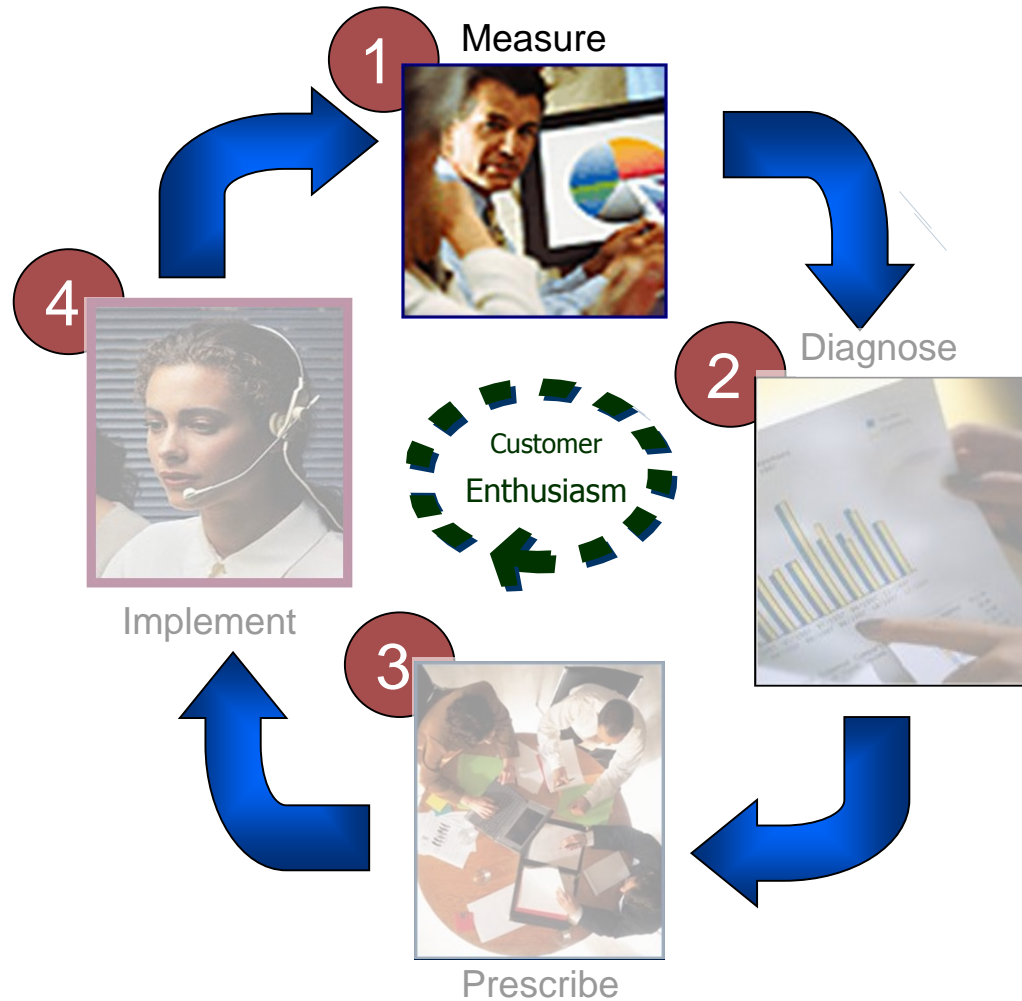


# A Straightforward Benchmarking Approach



Model Component	Description
1. Measure	Measure performance on an ongoing basis
2. Diagnose	Benchmark performance and conduct gap analysis
3. Prescribe	Define actions to close the gap
4. Implement	Implement your action plan and improve performance

# Measure Your Performance!



Model Component	Description
1. Measure	Measure performance on an ongoing basis
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# Some Common Call Center Metrics

## Cost

- Cost per Contact
- Cost per Minute of Handle Time

## Quality

- Customer Satisfaction
- Call Quality
- First Contact Resolution Rate

## Productivity

- Agent Utilization
- Contacts per Agent per Month

## Agent

- Agent Occupancy
- Agent Turnover
- Daily Absenteeism
- New Agent Training Hours
- Annual Agent Training Hours
- Agents as % of Total FTE's
- Schedule Adherence
- Agent Tenure
- Agent Job Satisfaction

## Service Level

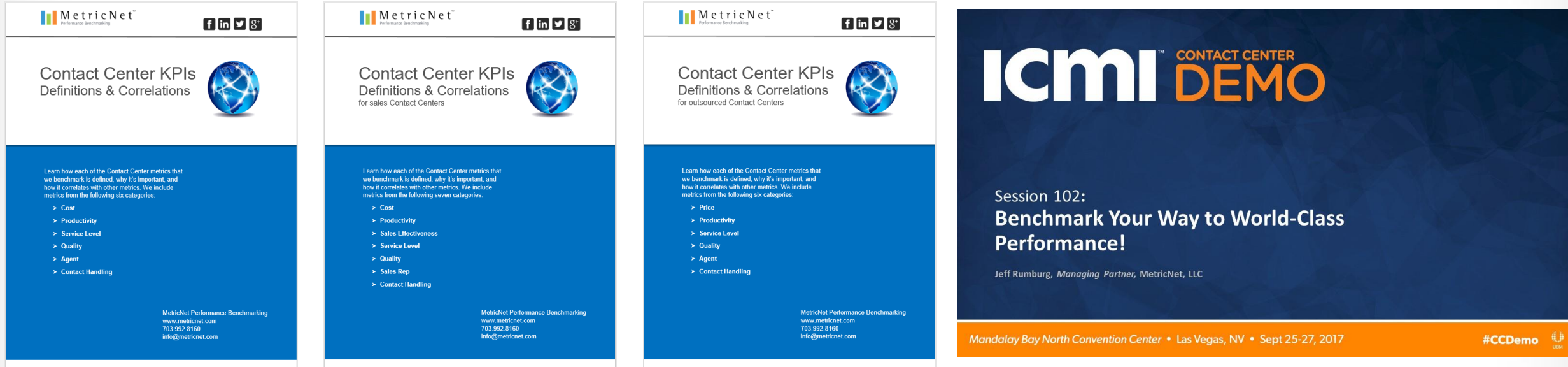
- Average Speed of Answer (ASA)
- Call Abandonment Rate
- % Answered Within 30 Seconds
- Percent of Calls Blocked

## Call Handling

- Call Handle Time
- After Call Work Time
- IVR Completion Rate
- Agent-less Completion Rate
- % of Calls Transferred

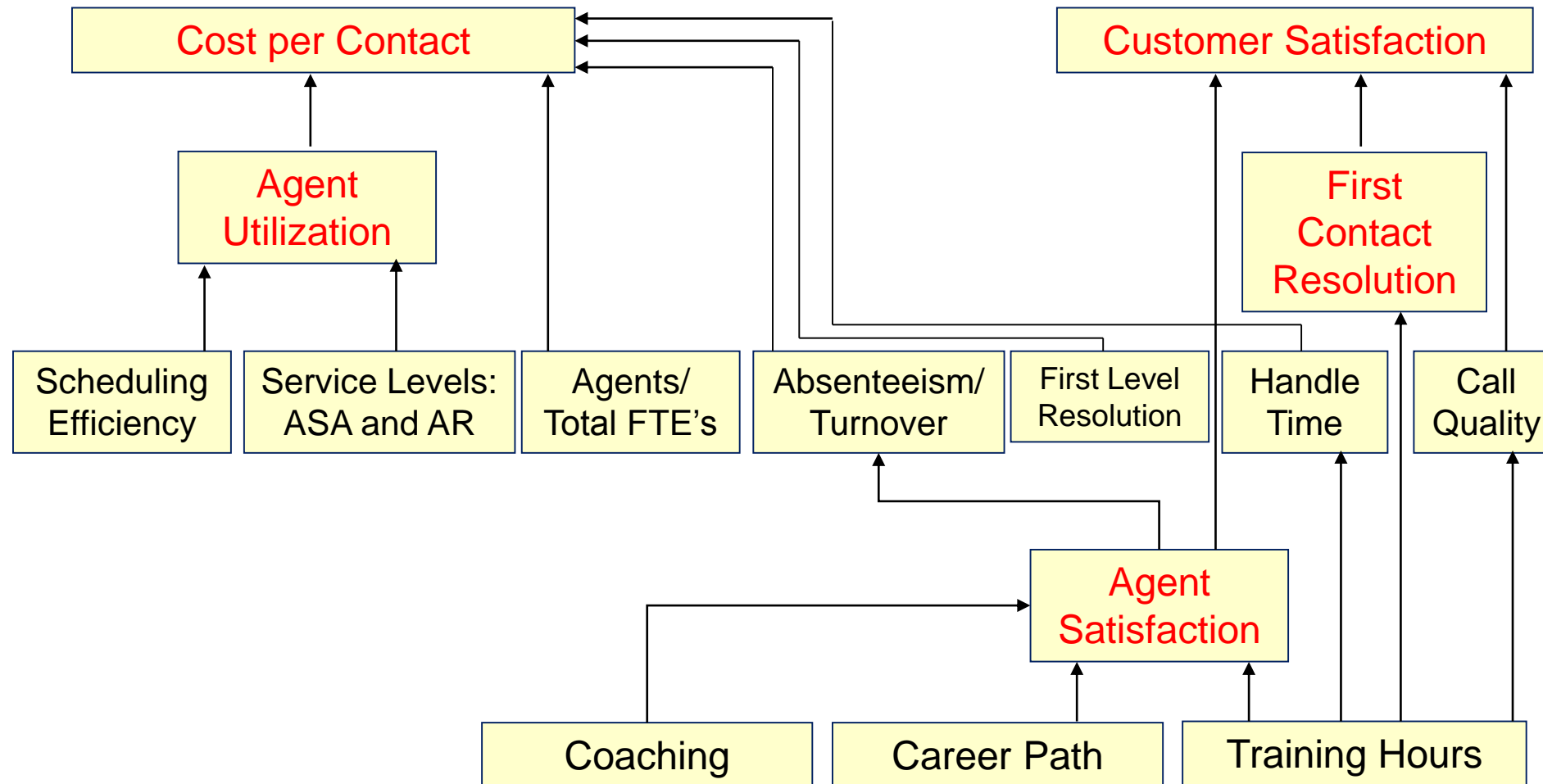
And there are hundreds more!!

# Download eBooks of KPI Definitions and the Presentation

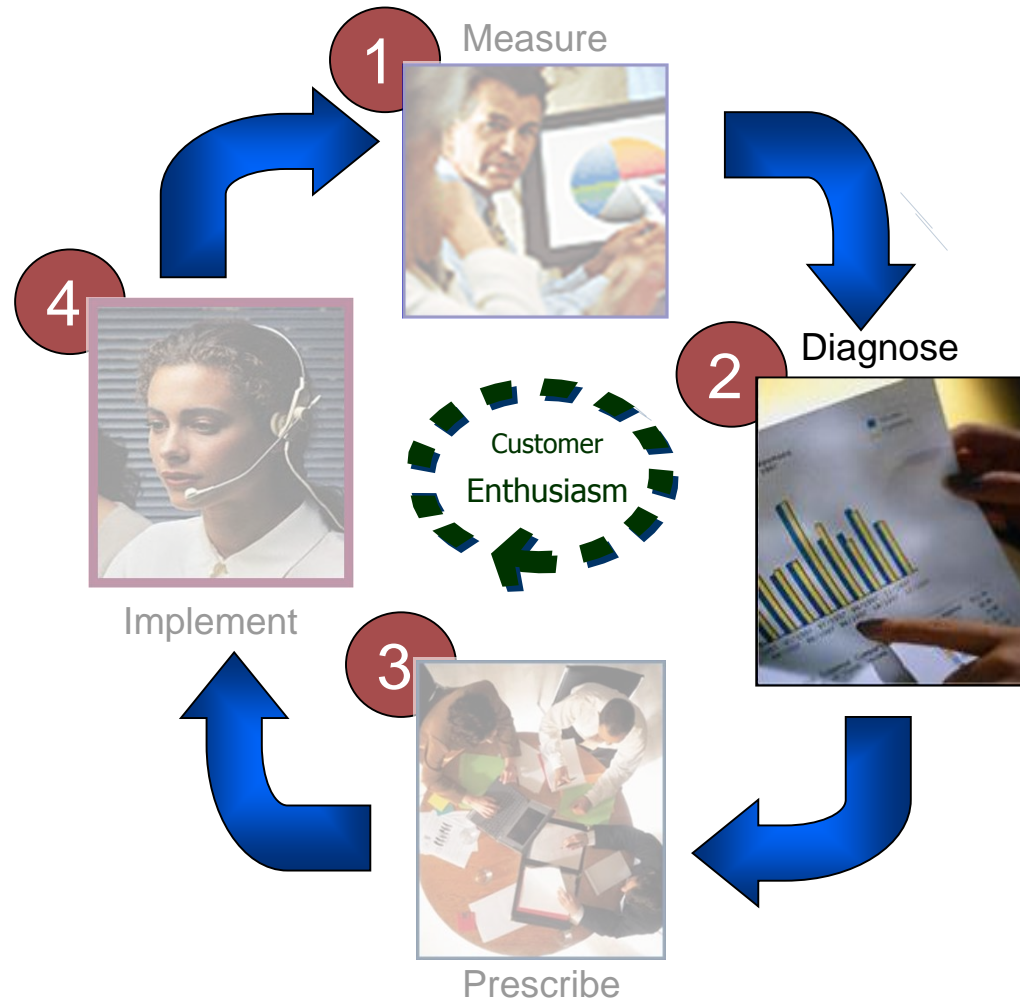


<https://www.metricnet.com/icmi17/>

# Summary of Call Center KPI Correlations


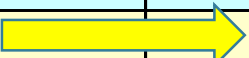


# Now Benchmark Your Performance




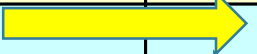


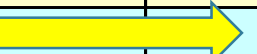
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4. Implement	Implement your action plan and improve performance

# Benchmarking Case Study

Metric Type	Key Performance Indicator (KPI)	Your Score	Peer Group Statistics			
			Average	Min	Median	Max
Cost	Average Cost per Contact 	\$6.71	\$4.78	\$2.12	\$4.62	\$9.03
Productivity	Inbound Voice Contacts per Agent per Month	647.5	781.4	226.3	747.8	1634.3
	Voice Agent Utilization	42.3%	49.2%	35.8%	49.8%	63.1%
Service Level	Average Speed of Answer (seconds)	21.0	92.7	20.8	80.3	395.3
	Call Abandonment Rate	1.9%	6.1%	1.7%	5.2%	27.2%
	% Answered in 30 Seconds	76.2%	28.1%	0.2%	27.1%	82.8%
Quality	Call Quality	71.0%	87.0%	65.4%	88.6%	99.0%
	Customer Satisfaction 	70.3%	82.5%	46.2%	82.1%	98.9%
Agent	Annual Agent Turnover	70.2%	44.6%	12.3%	41.1%	89.7%
	Daily Agent Absenteeism	12.9%	8.3%	3.9%	8.1%	16.8%
	New Agent Training Hours	68.0	155.2	68.0	158.0	274.0
	Annual Agent Training Hours	0.0	16.3	0.0	9.0	79.0
	Agent Job Satisfaction	53.6%	70.6%	53.6%	71.7%	82.5%
	Agents as a % of Total Contact Center Headcount	86.9%	83.6%	68.2%	83.6%	95.9%
Handle Time	Voice Handle Time (minutes)	7.4	7.6	3.2	6.4	19.3
	Chat Handle Time (minutes)	9.6	10.5	4.4	8.9	27.2
	Web/Email Handle Time (minutes)	7.1	7.7	3.2	6.7	17.4
	Net First Contact Resolution Rate	54.0%	78.7%	39.5%	53.2%	97.5%



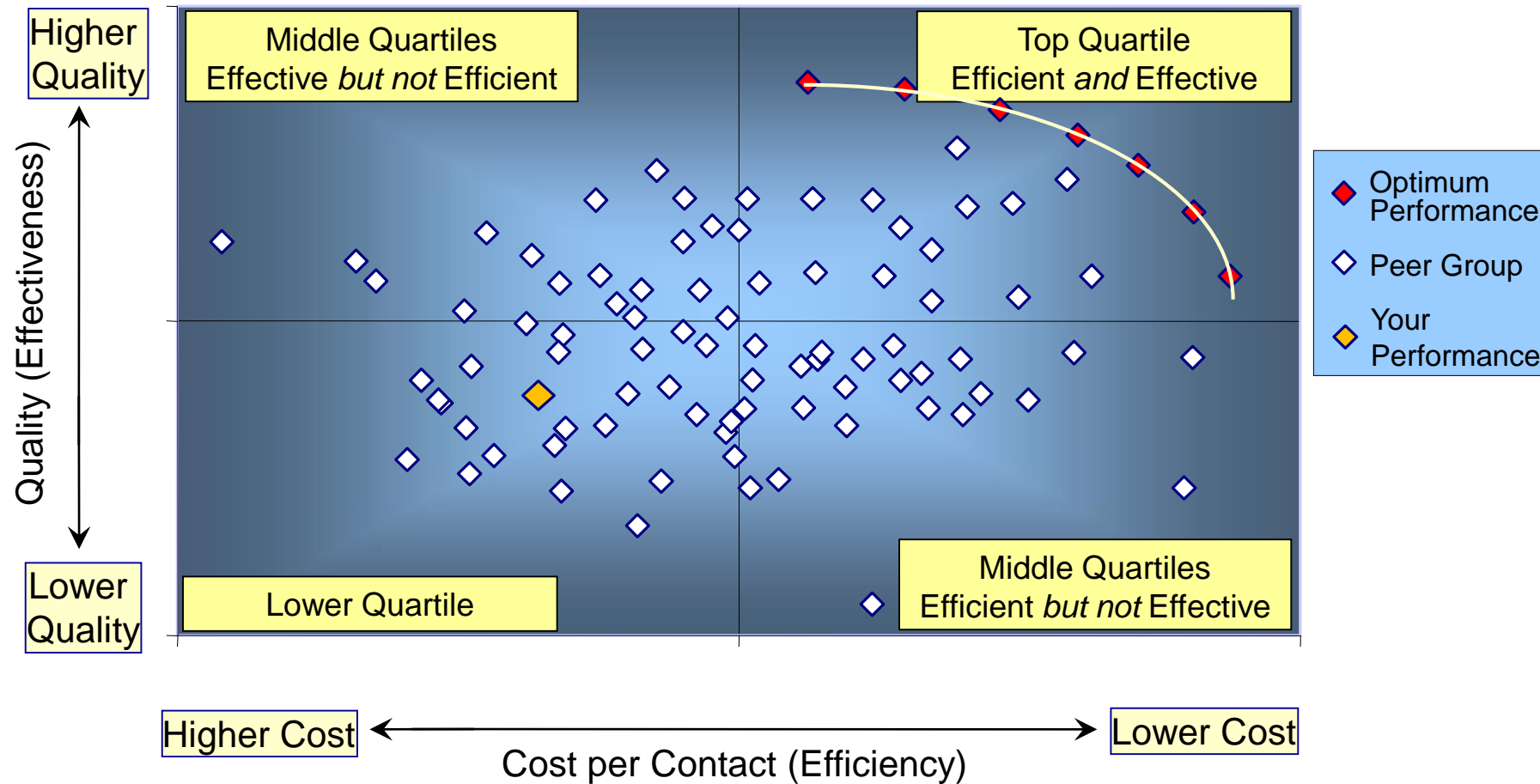
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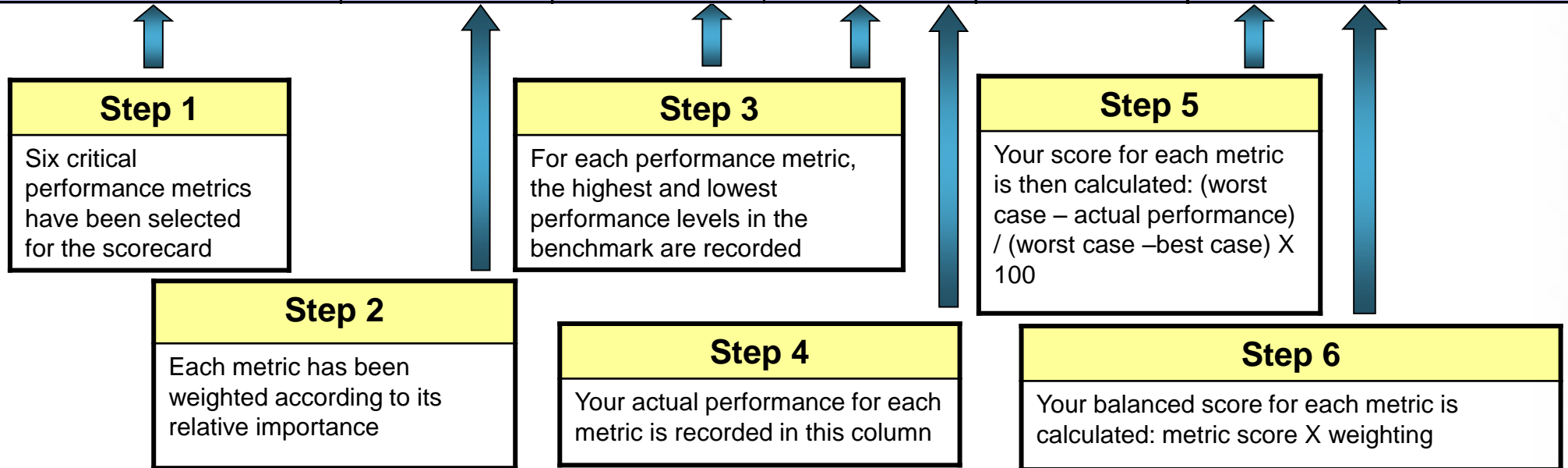
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# The Foundation Metrics: Cost and Quality

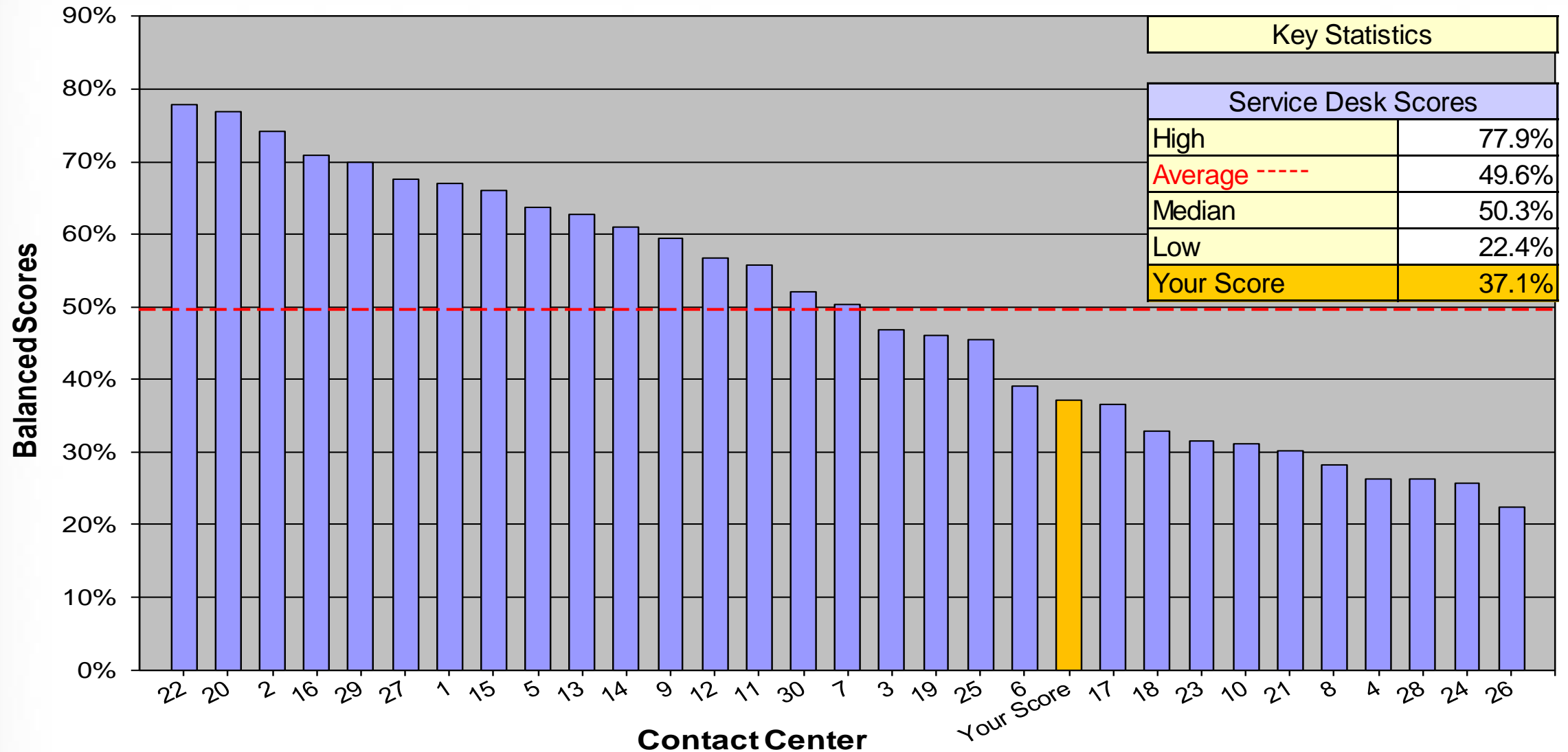


# The Contact Center Balanced Scorecard

Performance Metric	Metric Weighting	Performance Range		Your Actual Performance	Metric Score	Balanced Score
		Worst Case	Best Case			
Average Cost per Contact	25.0%	\$9.03	\$2.12	\$6.71	33.6%	8.4%
Voice Customer Satisfaction	25.0%	46.2%	98.9%	70.3%	45.7%	11.4%
Voice Agent Utilization	15.0%	35.8%	63.1%	42.3%	23.8%	3.6%
Net First Contact Resolution Rate	15.0%	39.5%	97.5%	54.0%	25.0%	3.8%
Agent Job Satisfaction	10.0%	53.6%	82.5%	53.6%	0.0%	0.0%
Average Speed of Answer (seconds)	10.0%	395	21	21	100.0%	10.0%
<b>Total</b>	<b>100.0%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>37.1%</b>

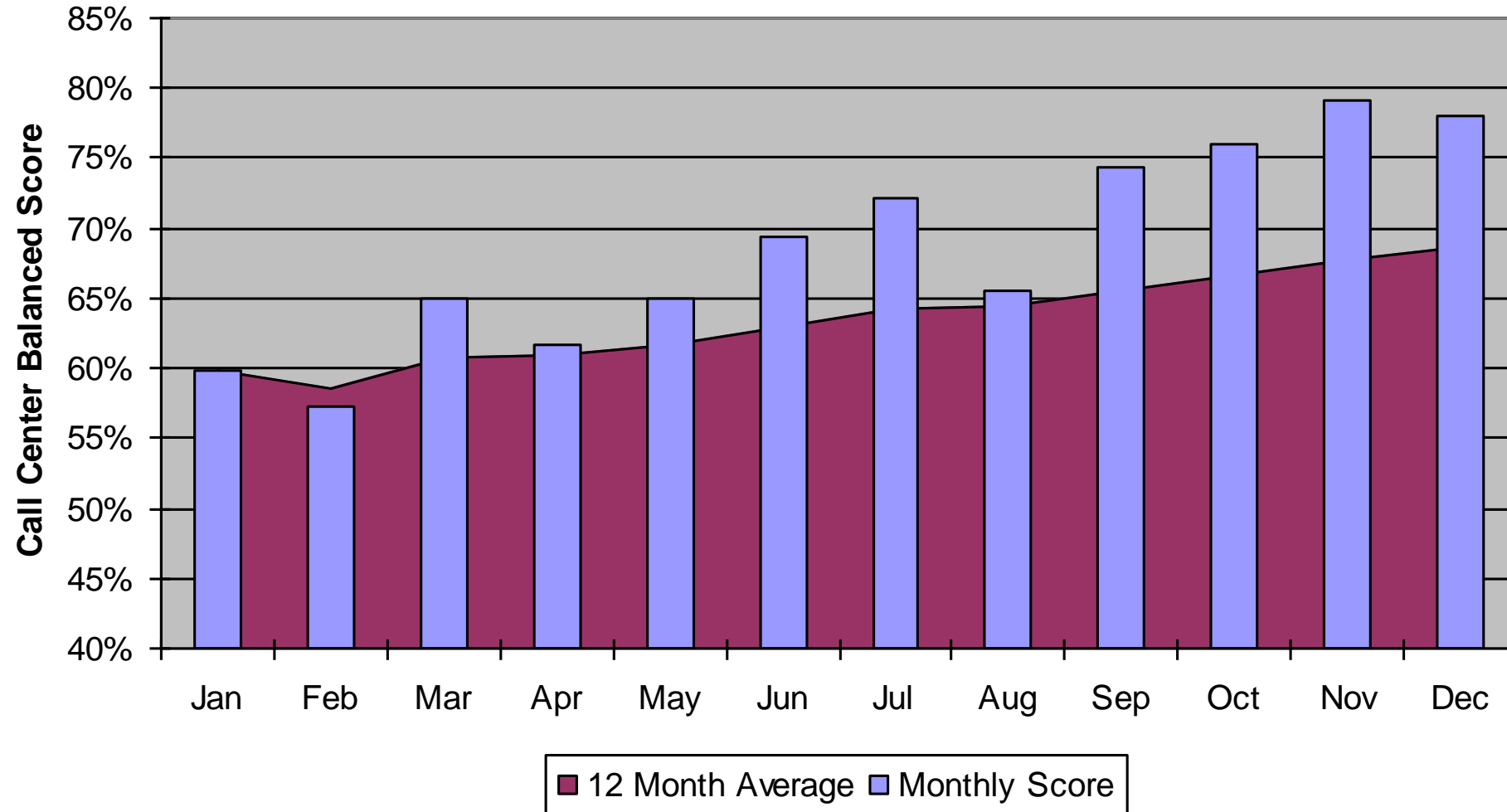


# Benchmarking Your Overall Performance

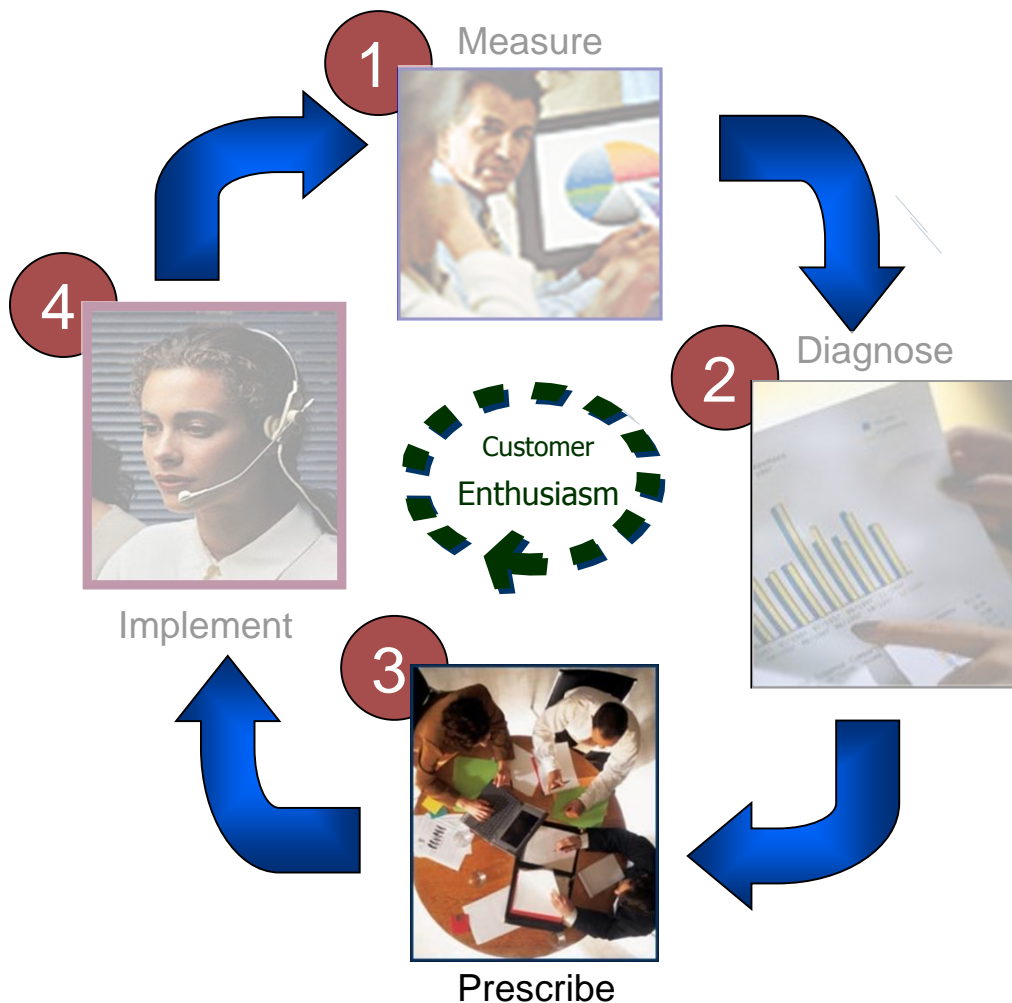




# The Contact Center Scorecard Trend



# Prescribe Actions to Close the Gap!



Model Component	Description
1. Measure	Measure performance on an ongoing basis
2. Diagnose	Benchmark performance and conduct gap analysis
3. Prescribe	Define actions to close the gap and improve performance
4. Implement	Implement your action plan

# Best Practices: Performance Measurement

Performance Measurement: Best Demonstrated Practices		Affected KPIs						
		Cost per Call	Customer Sat	Agent Utilization	First Call Res	Call Quality	Handle Time	Agent Turnover
Metrics, goals, diagnosis and accountability	Performance metrics and goals drive individual accountability and facilitate diagnosis of performance strengths, issues, gaps and call quality improvements.							
Cost and customer satisfaction	Cost and customer satisfaction results measure efficiency and effectiveness, and are two critical indicators for contact center operations.							
Formal measurements & performance compliance	Performance measurement is a rigorous discipline assigned to a particular individual or individuals in the contact center to ensure service level compliance and consistency in the delivery of customer service .							
Balanced scorecard	A balanced scorecard provides an aggregate measure of contact center performance.							
Management Reporting	Reporting is targeted and timed to have maximum impact on key individuals and stakeholder groups in the company.							

# Best Practices: Human Resources

Human Resources: Best Demonstrated Practices		Affected KPIs							
		Cost per Call	Customer Sat	Agent Utilization	First Call Res	Call Quality	Handle Time	Agent Turnover	Business Effectiveness
Recruitment	Recruiting is a rigorous and holistic process that measures specific agent competencies, and matches those competencies to the needs of the contact center.								
Training	Rigorous and formalized training is available for both new and seasoned agents. Training is customized to meet the needs of each agent, and is designed to meet the strategic goals of the contact center.								
Career Pathing	Career paths have been formalized and documented, and often include vertical as well as lateral promotion opportunities. Performance levels required for advancement are clearly articulated. Agents are encouraged to take charge of their own career and skills development.								
Retention	Formal strategies are employed to maximize employee retention. These strategies are designed to improve employee job satisfaction and loyalty, thereby maximizing agent morale and minimizing turnover.								
Coaching and Feedback	Contact center management demonstrates commitment to continuous improvement by conducting frequent, one-on-one coaching to each agent, and by providing specific suggestions for improvement and setting attainable goals.								
Performance Standards	Contact center agents are held accountable for minimum performance standards with incentives for surpassing, and disincentives for falling short of the standard. Performance goals cover both quality and productivity.								

# Best Practices: Call Handling Processes

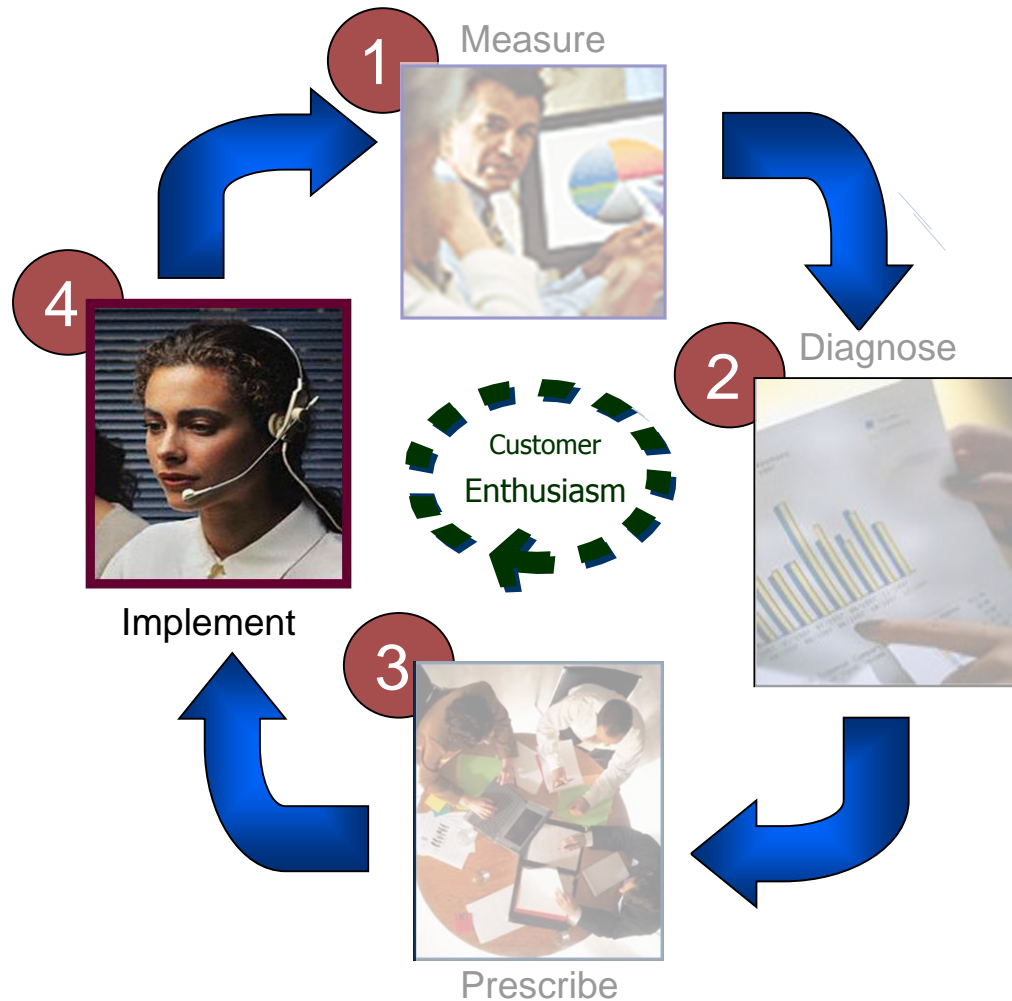
Call Handling Processes: Best Demonstrated Practices		Affected KPIs							
		Cost per Call	Customer Sat	Agent Utilization	First Call Res	Call Quality	Handle Time	Agent Turnover	Business Effectiveness
Standardization	Call handling processes are repeatable and standardized, while still allowing for agent judgment and experience.								
Call Volume Management	Call handling strategies, such as call reduction through “Load Shedding,” call “Channeling,” forecasting and aggressive staffing strategies are utilized to predict and proactively handle the variance in call volumes.								
Measurement Management	Contact centers must aggressively pursue and identify meaningful performance indicators, measure and report against them and analyze the results for significant trend analysis.								
Continuous Improvement	Contact center has a true culture of excellence through continuous improvement in the delivery of customer services.								
Customer-Centricity	Improved customer satisfaction, accessibility and usability are the primary design drivers in the contact center.								



# Best Practices: Technology



Technology: Best Demonstrated Practices		Affected KPIs						
		Cost per Call	Customer Sat	Agent Utilization	First Call Res	Call Quality	Handle Time	Agent Turnover
Technology Hierarchy	Technology enhances the speed and quality of each transaction. It supplements people and process, but does not replace them.							
Strategic Alignment of Technology	Contact center technology is consistent with, and supports the strategies of the contact center and the enterprise overall.							
Vendor Management	Vendors are actively managed to ensure the adoption of appropriate technology, and good value in technology purchases. The buyer drives the vendor relationship.							
Call Management Customer Tools	The contact center and its agents have access to real-time tools that optimize call flow management, call logging and tracking to achieve resolution.							
Knowledge Management	Knowledge capture and customer history are used to enhance the value of each customer interaction .							

# Implement Your Action Plan!



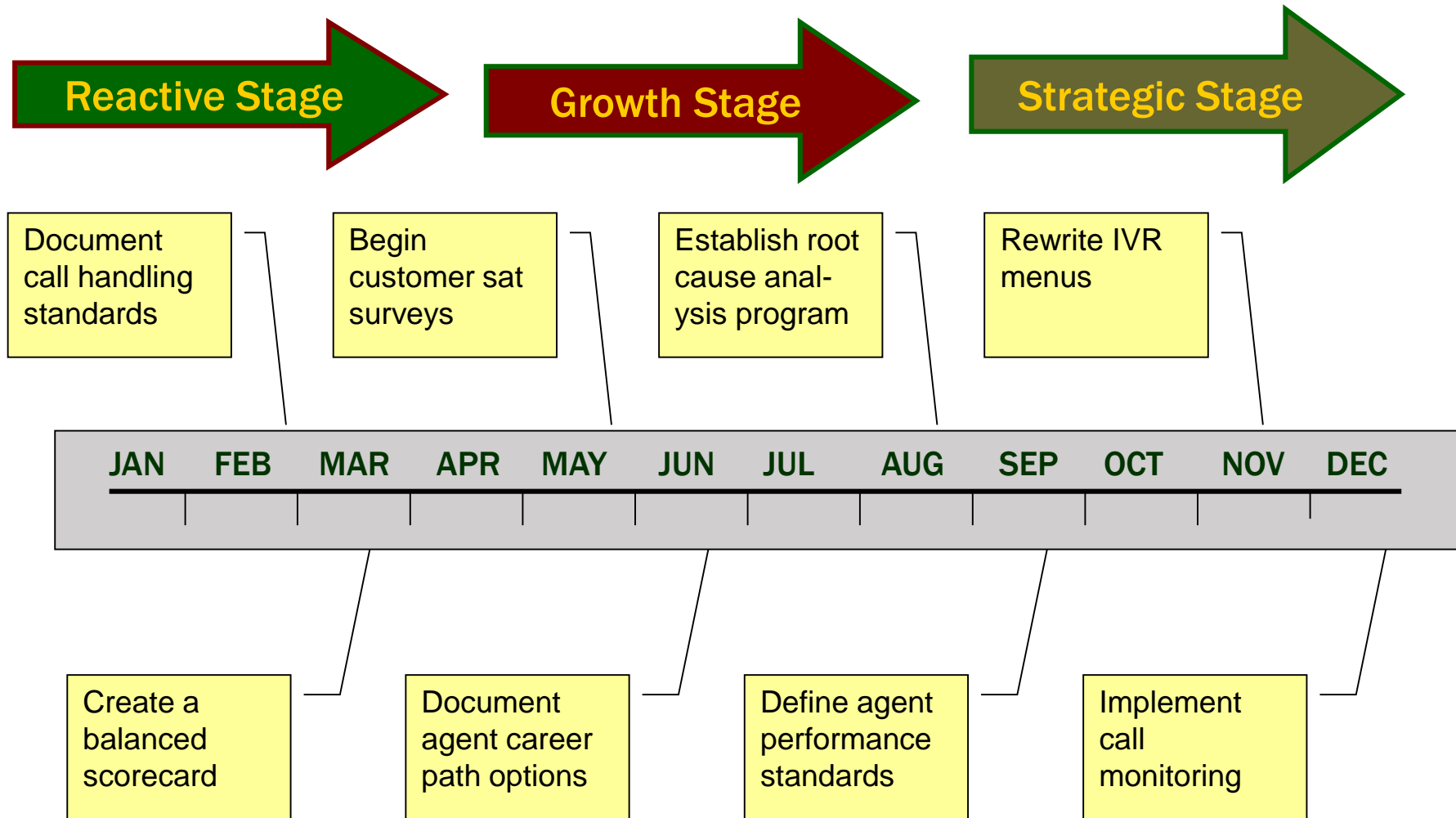
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# The Key to Benchmarking Success is to Take Action!

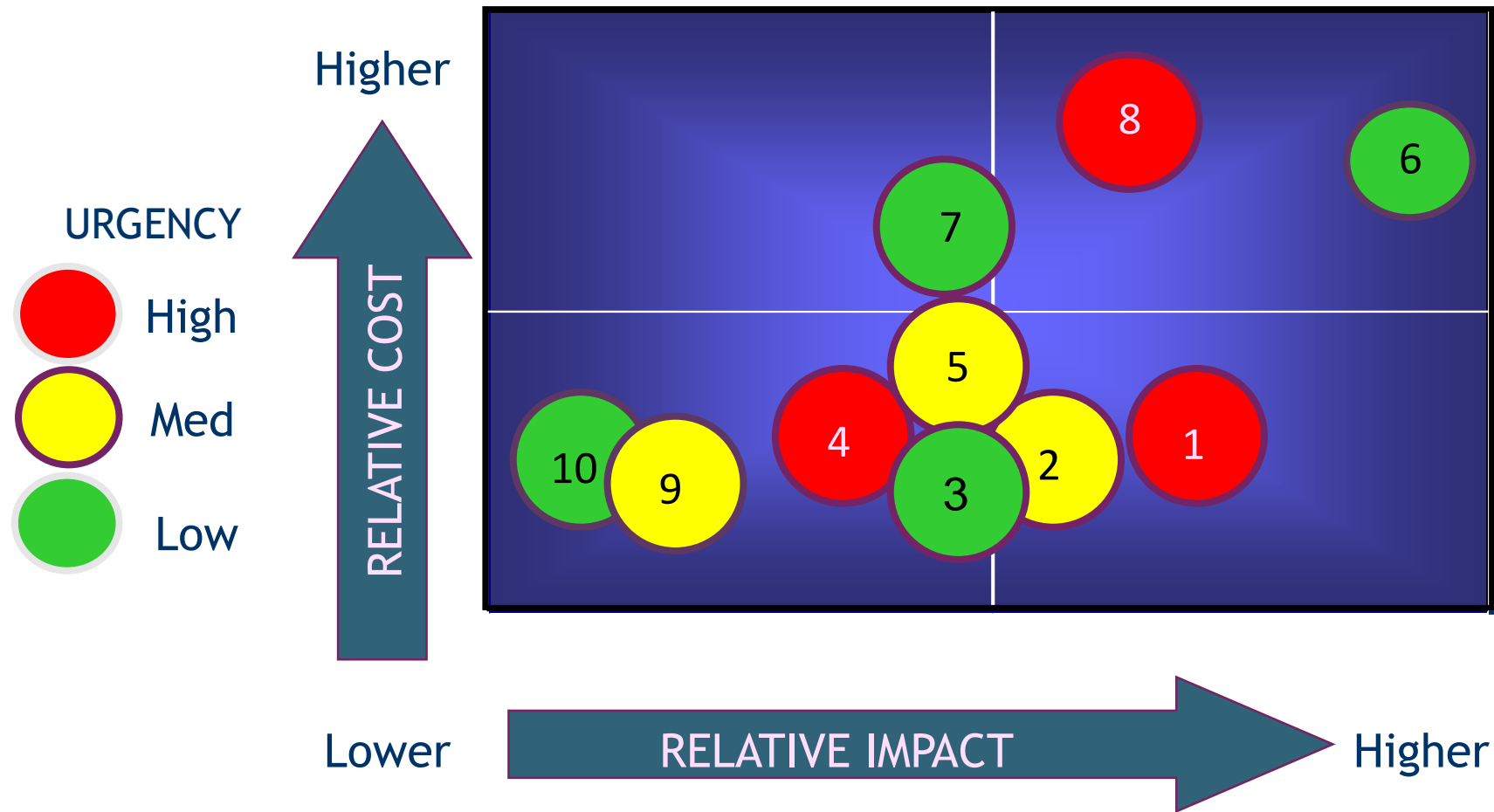
- Call Center Best Practices is a Holistic Discipline
- Near Term Goal  Improved Performance
- Ultimate Goal  World-Class Performance
- The Key to Getting Results is to Take Action!

# Just Do It!!

# Now Implement Your Action Plan!



# Prioritizing Your Action Plan

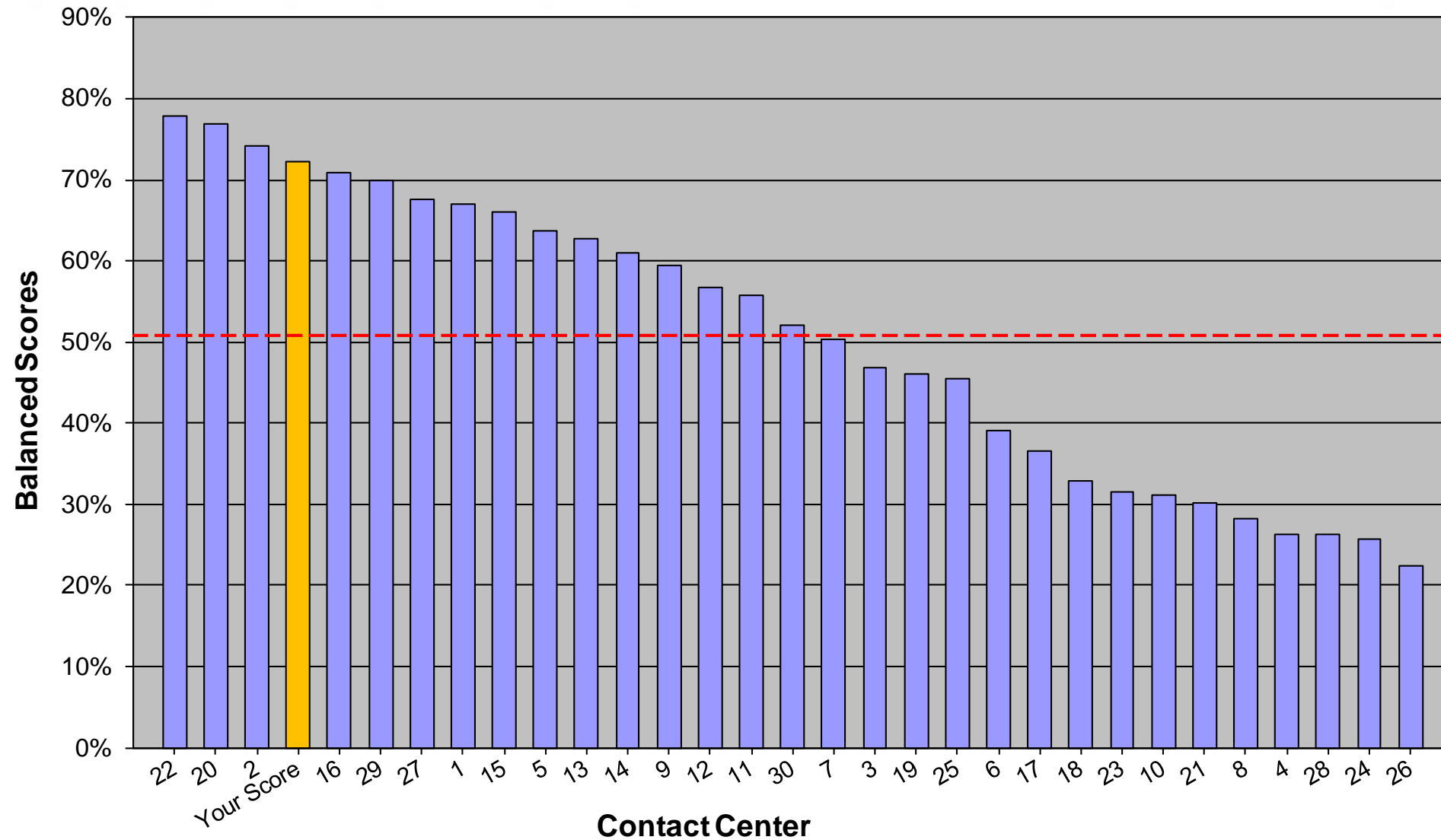


# Establishing Contact Center Performance Targets

Performance Metric	Your Score	Target Performance
Cost per Contact	\$6.71	<b>\$4.50</b>
Agent Utilization	42.3%	<b>55.0%</b>
Average Speed of Answer (ASA) (seconds)	20.8	<b>60</b>
Call Abandonment Rate	2.5%	<b>5.0%</b>
Customer Satisfaction	70.3%	<b>85.0%</b>
First Contact Resolution Rate	54.0%	<b>80.0%</b>
New Agent Training Hours	68	<b>120</b>
Annual Agent Training Hours	0	<b>25</b>
Annual Agent Turnover	70.2%	<b>30.0%</b>
Agent Job Satisfaction	53.6%	<b>75.0%</b>
<b>Contact Center Balanced Score</b>	<b>37.1%</b>	<b>72.2%</b>



# Improvements in the Balanced Scorecard



# Establishing Individual Performance Targets

Performance Metric	Agent Performance	Target Performance
Contacts Handled per Month	647.5	<b>575</b>
Customer Satisfaction by Agent	70.3%	<b>85.0%</b>
First Contact Resolution by Agent	54.0%	<b>80.0%</b>
Monthly Contributions to Knowledge Base	0	<b>5</b>
Leadership	1	<b>4</b>
Initiative	2	<b>4</b>
<b>Agent Balanced Score</b>	<b>54.2%</b>	<b>79.6%</b>

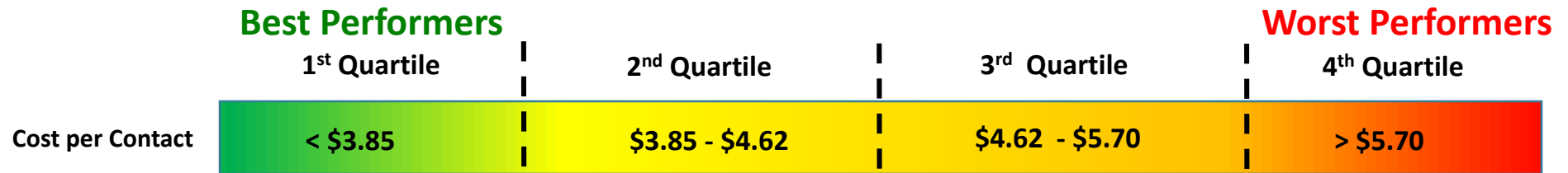
# 2016 Contact Center Benchmarking Summary

Metric Type	Key Performance Indicator (KPI)	Peer Group Statistics			
		Average	Min	Median	Max
Inbound Channel Mix	Voice % of Total	67.3%	19.1%	67.6%	100.0%
	Chat % of Total	5.9%	0.0%	3.8%	33.2%
	IVR % of Total	21.3%	0.0%	20.5%	69.3%
	Web Ticket/Email % of Total	3.8%	0.0%	3.5%	11.8%
	Other % of Total	1.5%	0.0%	1.4%	4.4%
Cost	Average Cost per Voice Contact	\$6.57	\$2.12	\$5.79	\$20.82
	Average Cost per Chat Session	\$7.85	\$3.51	\$7.07	\$17.94
	Average Cost per Web Ticket/Email Contact	\$6.65	\$2.71	\$6.08	\$22.21
	Average Cost per Agent-Assisted Contact	\$6.66	\$2.12	\$5.85	\$20.97
	Average Cost per Contact (incl. IVR)	\$4.78	\$2.12	\$4.62	\$9.03
	Average Cost per Voice Minute	\$0.87	\$0.55	\$0.86	\$1.27
	Average Cost per Chat Minute	\$0.80	\$0.35	\$0.75	\$1.54
	Average Cost per Web Ticket/Email Minute	\$0.87	\$0.54	\$0.86	\$1.27
Handle Time	Voice Handle Time (minutes)	7.56	3.17	6.44	19.26
	Chat Handle Time (minutes)	10.48	4.42	8.85	27.15
	Web/Email Handle Time (minutes)	7.65	3.16	6.73	17.42
Voice Quality	Voice Customer Satisfaction	82.5%	46.2%	82.1%	98.9%
	Net First Contact Resolution Rate	55.7%	39.5%	53.2%	97.5%
	Call Quality	87.0%	65.4%	88.6%	99.0%
Voice Productivity	Voice Agent Utilization	49.2%	35.8%	49.8%	63.1%
	Inbound Voice Contacts per Agent per Month	781	226	748	1,634
	Voice, Chat, and Email Agents as a % of Total Contact Center Headcount	83.6%	68.2%	83.6%	95.9%

# 2016 Contact Center Benchmarking Summary (Contd.)

Metric Type	Key Performance Indicator (KPI)	Peer Group Statistics			
		Average	Min	Median	Max
Voice SLA	Average Speed of Answer (seconds)	93	21	80	395
	Call Abandonment Rate	6.1%	1.7%	5.2%	27.2%
	% Answered in 30 Seconds	28.1%	0.2%	27.1%	82.8%
Agent	Annual Agent Turnover	44.6%	12.3%	41.1%	89.7%
	Daily Agent Absenteeism	8.3%	3.9%	8.1%	16.8%
	Agent Schedule Adherence	89.0%	79.1%	89.3%	98.8%
	Agent Occupancy	81.5%	66.8%	81.0%	96.6%
	New Agent Training Hours	155	68	158	274
	Annual Agent Training Hours	16	0	9	79
	Agent Tenure (months)	25.0	8.7	22.1	69.8
	Agent Job Satisfaction	70.6%	53.6%	71.7%	82.5%
Chat	% of Contacts Originating in Chat	5.9%	0.0%	3.8%	33.2%
	% of Contacts Resolved in Chat	2.6%	0.0%	1.6%	16.5%
	Chat First Contact Resolution Rate	46.3%	26.5%	45.8%	71.9%
	% Failover Rate from Chat to Voice	53.6%	28.0%	54.1%	73.4%
	Customer Satisfaction in Chat Channel	79.7%	60.8%	81.0%	96.8%
	Average Concurrent Chat Sessions	0.86	0.41	0.87	1.52
	Max Concurrent Chat Sessions	2.8	1.0	3.0	5.0
	Number of Chat Sessions per Chat Agent per Month	638	208	592	1,255

# North American Call Center Performance Quartiles

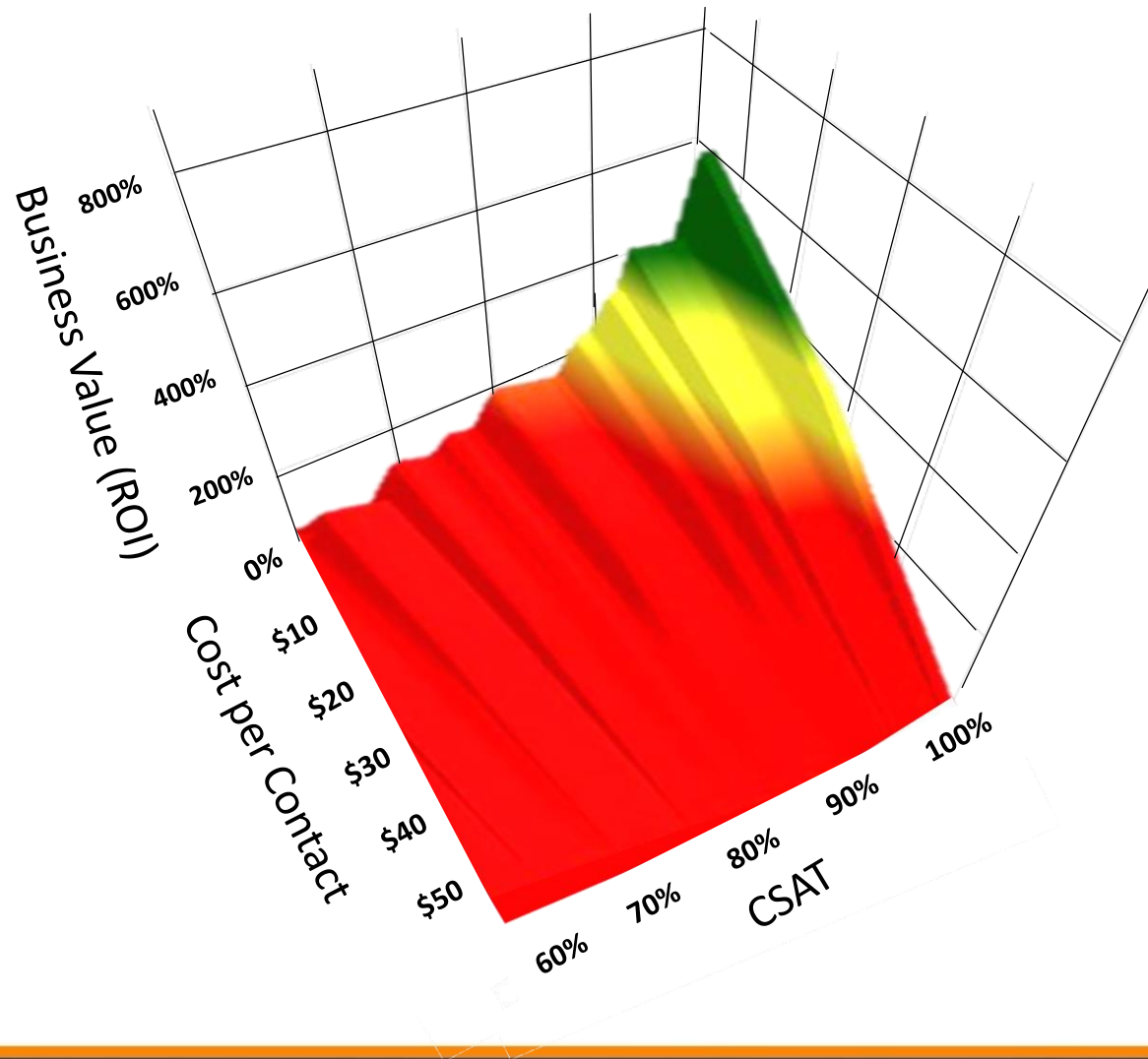


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- Contact center consistently exceeds customer expectations – regardless of the transaction type
  - Result is high levels of customer satisfaction
  - Top Quartile Customer Satisfaction
- Business value is managed at or above industry average levels
  - Cost per contact is below industry average levels – bottom quartile on Cost per Contact
  - Revenue generated is above industry average levels
    - Telemarketing and Telesales
    - Debt collections
- Contact Center follows industry best practices
  - Industry best practices are defined and documented
  - Contact Center follows industry best practices
- Every transaction adds value
  - A positive customer experience
  - Improves customer loyalty, repeat business, and positive word-of-mouth referrals
  - ROI > 100%



# Characteristics of an Optimized Contact Center

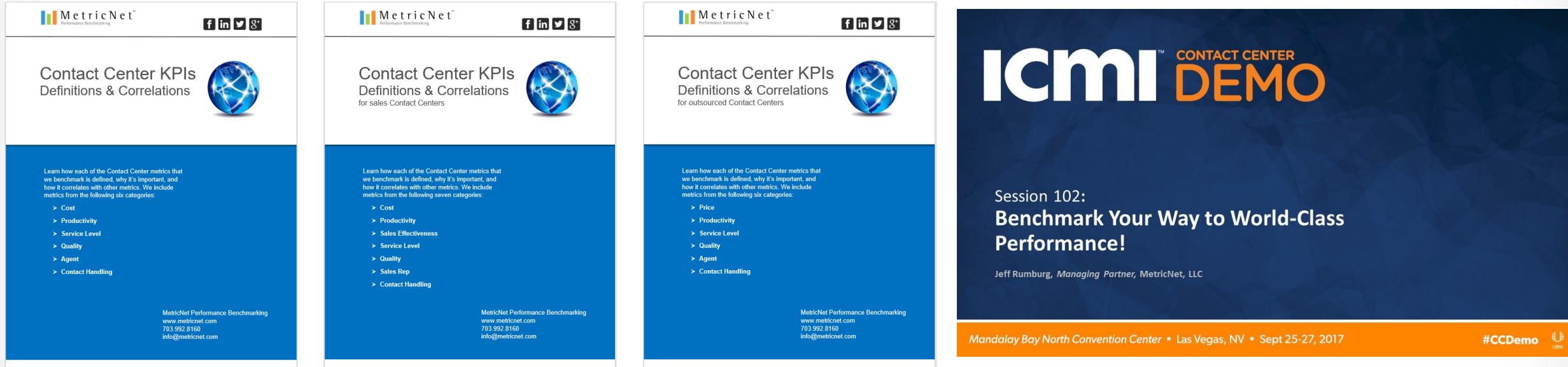


# QUESTIONS?

# Thank you for attending this session!

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# THANK YOU!

# QUESTIONS?



# Your Speaker: Jeff Rumburg



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- Winner of the 2014 Ron Muns Lifetime Achievement Award
- Former CEO, The Verity Group
- Former Vice President, Gartner
- Founder of the Service Desk Benchmarking Consortium
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