

IN THIS ARTICLE
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Customer Service

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CALLING ALL TRAINERS

CALL CENTERS OFFER MANY OPPORTUNITIES AND CHALLENGES FOR HRD PROFESSIONALS. HERE'S HOW TO MAKE YOUR CALL CENTER EXCEPTIONAL.

THE PHENOMENAL GROWTH in call centers that handle customer service, telemarketing, collections, and other customer-focused areas has spawned a multitude of challenges—and opportunities—for the human resource community. In our [the authors'] own work with companies launching and operating call centers, we have seen that the 80–20 percent rule applies: About 80 percent of the needs in establishing and maintaining a call center are quite similar, and 20 percent of the needs are specific to a particular center's structure and focus.

Training, particularly for the representatives and the people who coach them, is only one of many variables to consider when planning and implementing a call center.

Here are some questions to consider if you are asked to help plan, launch, and support a call center.

- ▶ What types of training will be needed, and when should the training be rolled out?
- ▶ How do you benchmark your efforts against the best practices of high-quality call centers?
- ▶ What can you do to minimize turnover and improve retention?
- ▶ How can your expertise help you shine in the partnership you need to forge with your colleagues in the operational side of the business?

By understanding some fundamentals and considering the experiences of people who have worked in this arena, you can learn to link your competencies as a human resource practitioner to your organization's needs in creating and sustaining an effective call center.

Keep three points in mind. One, the call center phenomenon is still in its infancy and growing. Many companies are evaluating the advantages and disadvantages of moving at least part of their businesses to a call center.

Two, technology drives call-center innovation, management, and change. As more sophisticated computers, telephone systems, Internet and intranet applications, and other technological advances provide more service options and better data about performance, new opportunities for call centers will emerge.

Three, there will be abundant challenges—and opportunities—for training and human resource professionals in recruiting, training, and retaining

this specialized workforce.

Industry data indicates that the number of call centers in the United States is about 60,000. According to the Direct Marketing Association, those centers were responsible for producing nearly \$360 billion in total U.S. sales in 1995. That figure could reach \$600 billion by 2000.

The term call center is fairly new, but the concept has existed for years. Until the past decade or so, most call centers involved inside sales, now called telemarketing. Inside sales reps sat at their desks taking phone orders for products and calling customers to sell more products or new products. They also made cold calls to get new customers, and they handled customer service complaints.

Those centers sold everything from daily newspapers to sophisticated technical products. Typically, inside sales reps were paid a salary plus commission, and they coordinated closely with outside salespeople who “opened doors” or handled low-volume accounts. Other call centers were collection agencies. Early call centers had five people to 100 people or more.

The concept of a call center began evolving when businesses started recognizing the economic, control, and service gains in using call centers to meet a variety of needs—especially in financial services, in which credit, collections, customer service, and other “back office” functions were moved out of branch offices and into call centers.

Large organizations consolidated numerous credit card offices into a few centers with hundreds and even thousands of employees. Small companies consolidated their back-office services into one location with 30 to several hundred people. Next, third-party providers began opening call centers to offer services to client companies.

Call centers are also in such industries as pharmaceutical, health care, retail, consumer products, and manufacturing. These nonfinancial-service call centers fulfill such roles as telemarketing and customer service, as well as being help desks.

Technology: a call center's best friend

Technology made call center growth both possible and profitable. A sophisticated, automatic call-distribution

telephone system sends calls to people according to predetermined criteria and can reroute calls to another call center if one center goes down.

Sophisticated computer systems make extensive customer data available instantly to employees in various departments and locations. Predictive dialers can make outbound calls automatically while taking inbound calls.

Now, a company can see how many calls are waiting for service, how long the wait is, and how many have been abandoned. In addition, many types of statistical reports can be generated to provide critical productivity and quality measures.

Says John Goodman, president of the Technical Assistance Research Programs: “High-tech facilitates high-touch. A computer not only tells me who the customer is, but also which products he [or she] has and [the product's] value. A computer can also suggest the most appropriate response to a particular issue, help me anticipate challenges to that response, and provide me with phrases that address the concern best.

“After the fact, a computer can dispatch a mail survey, scan it back in, and give me a satisfaction rating from my calls. Such computer support reduces training requirements and enhances employee satisfaction by providing better information to the rep and positive feedback via the satisfaction survey.”

Delighting customers

Perhaps the most important mission of all call centers is to delight customers and thus expand business opportunities.

Recent TARP surveys of more than 300 companies across a wide range of industries found that, on average, they lose 20 percent of a customer's loyalty if that customer encounters a problem that isn't resolved immediately. For every five customers with problems who aren't satisfied, at least one will be lost, along with his or her future purchases.

Simply put, gaining and sustaining customer loyalty is very important to the survival of a business. The best companies will do just about anything to ensure that their call centers meet and exceed customer requirements and expectations.

■ **Starting a call center involves a lot of planning** ■

Starting a call center involves a lot of planning. The center must provide and exceed the service level customers expect from local branches and suppliers. That goal is difficult to achieve because it requires solving complex business, technical, and staff issues. Training is critical, but other factors are equally important. But first, how do you determine the best place, or places, to locate a call center?

Bankcard Program Services, a division of First Data, based in Tulsa, Oklahoma, uses call centers for customer service, credit, and charge-backs (involving merchant credit card charges disputed by customers).

Says Doug Brown, vice president of customer service: "The main thing is to select a site that is a good source for recruiting qualified people. That could be in a high-unemployment area and in a region that doesn't pose the risk of natural disasters to business. When you recruit for call center management, make sure in locations where unemployment is high, that there is ample talent with the right skills.

"Your decision can be influenced by state incentives. You also need to find an attractive and affordable site to live in. And consider the wage scale. In some cities with high unemployment, you couldn't afford to have a center."

Brown's opinion is supported by recent research by The Boyd Company in its 1996 report, *A Comparative Cost Analysis for Call Center Operations*. The study cites New York; Los Angeles; and Stamford, Connecticut, as the most expensive U.S. locations for operating a call center. Salt Lake City, Utah; Panama City, Florida; and Omaha, Nebraska, are the least costly.

Some cities—such as Wilmington, Delaware; Omaha, Nebraska; Phoenix, Arizona; Salt Lake City, Utah; Jacksonville, Florida; Columbus, Ohio; and Sioux Falls, South Dakota—have a high influx of call centers. At first glance, it might appear wise to be located in an area where there are a lot of call centers so your company can draw from an experienced talent pool. That, however,

can mean trading a lot of resources back and forth. For example, nonexempt employees may job-hop for a relatively small hourly increase. So, attracting and retaining good employees can be complicated.

"But," says Brown, "if you need to ramp up quickly, it may be advantageous to move into one of the cities where the number of call centers is high."

Dynamic call centers

Every call center is organized to meet its company's business objectives, strategies, and operations. Though there are similarities among centers, the operational differences can be vast. One outstanding characteristic is that call centers are dynamic. Policies and procedures change daily. Computer systems are always a "work in progress." The pace is frenetic, and a business's reputation is on the line with each customer the center comes in contact with. Call centers are, literally, the voice of a company.

The Center for One Baxter is the informational call center for Baxter Healthcare Corporation, headquartered in Deerfield, Illinois. Eileen Shiman, manager of the center, has a helpful model for how to create a call center. She suggests the following:

- ▶ Have a clear, well-defined vision.
- ▶ Find a champion.
- ▶ Secure funding.
- ▶ Implement the vision.
- ▶ Communicate closely with management (especially in the start-up phase).
- ▶ Constantly reinforce the vision to management and staff.

Says Shiman, "It's especially critical to work with management to establish some start-up milestones, because you want its endorsement and involvement."

The Center for One Baxter calls its general information center representatives customer response consultants. Each one has a special knowledge about one side of the company's business. After they join the center, representatives are cross-trained so that each one can handle inquiries about all four Baxter businesses.

The outsourcing difference

Things get more complicated in outsourced operations. Many top companies, especially high-tech ones, outsource customer service and distribution so they can focus more on product development. The demand is so great that outsourced services are now a \$4 billion industry growing at a rate of 50 percent each year, according to Clement Communications, based in Concordville, Pennsylvania.

Here are several ways that companies can improve the quality of customer interactions with outside providers.

- ▶ Establish service levels as part of a provider's contract.
- ▶ Review the provider's training program to ensure that it reflects your customer service philosophy.
- ▶ Demand call monitoring and computer-screen reviews regularly.
- ▶ Monitor the monitoring program in person, and review reports to make sure that customers are receiving outstanding service.

One key outsourcing challenge is how to maintain the link between a customer and a company when a rep doesn't work for the company directly. According to TARP, periodic rep focus groups or one-on-one sessions with company management are more effective than statistical reports provided by an outsourcer. Feedback should be direct, not filtered through service bureau management. Letting the reps provide input gives them a feeling of control, which can reduce burnout, according to "Outsourcing the Customer Service Call Center," by John Goodman, Dianne Ward, and Scott Broetzmann (*Billing World*, November 1996).

Help also may be on the way in the form of a new industry standard for service performance and customer service, called COPC-2000.

The standard is the result of work conducted by an outsourcers' consortium, along with the COPC, a Williamsville, New York-based company dedicated to improving end-user customer service levels, with substantial input from several major call center customer service providers. The goal of that effort was to help define the most important elements of a successful relationship between an outsourcer and one or more customer service providers.

Participants in the original development effort were from Novell, Dell, Compaq, Microsoft, L.L. Bean, American Express, and other leading firms. Each company contributed its extensive experience in developing and delivering high levels of end-user customer service. The outcome, COPC-2000, is a set of operating guidelines for assessing the performance of a customer service provider or an internal customer service organization. The COPC-2000 standard is based on the Malcolm Baldrige National Quality Award criteria. Topics from other standards, such as ISO 9000, were included where appropriate.

"The COPC-2000 standard recognizes the importance of employee development as a critical success factor for high performance and end-user satisfaction," says Philip Sachs, COPC senior vice president. "Companies known for superior service place a premium on training to support the management of their most important asset—their customer contact."

In our work, we've seen that many companies have a basic perception of the productivity and service standards they want to measure. It's achieving and maintaining those standards that can be difficult. That's where the need for effective training, precise measurements, and other elements comes into play.

Finding the right people

Regardless of the type of call center operation, finding qualified people is paramount.

Baxter's Shiman says, "Certain universals apply. You have a choice: Hire for a specific skill set, or hire for what we call the DPT factor: disposition, personality, and temperament. Of course, you're looking for people who are trainable, are intelligent, and want to learn. If they have strong business skills but weak DPT skills, it will be more difficult for them to relate well to customers."

Kansas City, Missouri-based Citicorp Credit Services is both a collections and customer-service call center. Says Douglas Williams, vice president of operations, "We are looking for someone [a rep] who has a good customer service attitude, experience, and track record. For example, if someone hasn't

worked in a place for more than six months, that person can't really have in-depth knowledge of the business or customers' needs.

"Reps must enjoy answering telephone calls over extended periods. They also have to like dealing with different callers and kinds of calls. And they have to like the fast pace."

Brown of First Data agrees: "We want someone who has a pleasant voice, and some previous experience in customer service. We probe to find how they felt about their role and whether they went beyond delivering basic service.

"We do a preliminary telephone screening. Then, we bring them in for testing on administrative skills and further behavioral interviewing."

Matrixx Marketing is an outsource company for telemarketing, based in Salt Lake City, Utah. Account manager Dave Sawtelle's group has responsibility as a third-party provider for a leading telecommunications company.

Sawtelle—who spent several years in human resources, training, and education before assuming line management responsibilities—says: "Customer service is help-driven; sales and collections are win-driven. Finding win-driven people is our big challenge. A bad day in customer service is one thing for a rep; a bad day in sales or collections can be devastating to an employee's morale and motivation—and that can have far-reaching implications for your operation.

"We do rigorous multilevel interviewing. First, HR screens applicants to identify people with some sales experience and who want a telemarketing job. Then, we do a telephone prescreen. If they pass that round, they're brought in to listen for about 30 minutes to one of our phone reps handling actual calls so they can see what the job entails. Last, a supervisor and some reps conduct a team interview to see whether an applicant can work in a team and fit into the culture.

"Staffing is a critical issue. Considering that telemarketers can make from 800 to 1,000 outbound calls per week, you need to assess the pros and cons carefully of hiring experienced versus

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inexperienced reps, full-time versus part-timers. It can be beneficial to use temporary staff for specifically timed promotional mailings and seasonal issues, head-count and budget control, and to reduce the cost of

turnover."

The training challenge

HRD and training professionals have a unique opportunity to forge win-win partnerships with the operations side of their businesses. Major tasks include how to determine the structure, staffing requirements, and learning approaches for training. (See the boxes, *Logistical Issues and Essential Skills*.)

Managers, supervisors, new employees, and experienced call center employees need training. That can result in complex training needs and extensive development time. Typically, it takes workshops to deal with these circumstances:

- ▶ many people being hired in the same types of jobs
- ▶ training on computer, interpersonal, and problem-solving skills versus the expense of one-on-one, on-the-job training by workers for new employees
- ▶ achieving consistency across multiple call centers
- ▶ establishing transition units
- ▶ communicating changes in policies and procedures quickly
- ▶ fostering trainees' in-depth sharing of experiences and successful approaches.

Ideally, the developers of new call centers should begin planning for and addressing training needs while they're still in the early stage. Under the best circumstances, training will be in place before the center opens so that every customer is handled by a qualified employee from day 1.

Says Williams of Citicorp Credit Services, "We believe in having a good relationship with HR. We help them help us, by communicating specifically, 'Here's what we're struggling with, this is what we're looking for, we want this type of person,' and

they set up the interviews. With good communication between our functions, we build good relationships, and that builds trust. Otherwise, from our perspective, none of us can be as effective as we would like to be."

Says Sawtelle, "It's critically important to know that senior management and floor management have bought into the specific types of training before rollout. The HRD person needs to sit down with senior and line managers and ask, 'What are your goals?' Managers should say something like, 'We want to improve sales by X percent, and we think that needs to be done through training.' If you can get managers to lay out their specific goals, then you can show them how skills training can make the difference. And when you roll out the training, you position it as driven by training but 'owned' by senior management."

Sawtelle continues "Next, you start the measurement process. Develop specific objectives, then precise measures. Don't agree on the items to be measured unless you know you can do it, or you'll shoot yourself in the foot.

"Training can't be in a box that you bring out when you need it and put back when you're finished. You have to partner with all departments on an ongoing basis."

Culturalization is also an important factor to consider, especially for outsourced work. These companies must go to elaborate means to inculcate the mission, values, and language of a client organization to the people who will be representing it.

"We tell our people that they are not just selling that company's product—they are that company," says Sawtelle. "Posters of in-store promotional displays of new products and client spokespeople, copies of a client's incentive premiums, and other materials go a long way to [making] a telemarketer feel part of a client organization."

In Sawtelle's telemarketing operation, building and maintaining a sales environment is key. Much attention is focused on hiring people with some sales background, making sure the role is right for them, and putting new employees through a rigorous regimen of supervised calls, training on all systems and products, and sales techniques. At first, that can be over-

LOGISTICAL ISSUES

Here are some major issues to consider before implementing a call center:

- ▶ What customer needs, if any, do you absolutely have to serve locally (for example, face-to-face selling, merchandise or parts pick-up, and distribution)?
- ▶ What could be served from centralized call centers without losing customer loyalty and focus (for example, telemarketing and the three Cs: credit, customer service, and collections)?
- ▶ What are the benefits of a call center? For example, it can provide a new career path for some people, be used as an integral part of a management trainee program, and cut such costs as office space rental, office equipment, a high ratio of trainers to employees, and the number of technical experts. A center can also help a company gain more control over consistency, quality, and productivity.
- ▶ Where should you locate?
- ▶ What ergonomics have to be considered? For instance, work areas must be comfortable, not too close together, and have high-enough dividers so conversations can't be overheard.
- ▶ What computer hardware and software do you need? There should be a painstaking evaluation of needs for phone systems, computer systems, ACD systems, and so forth.
- ▶ When will the call center be open? If calls are coming from across the United States to an East Coast site, you may need staffing from 8 to 12 a.m. You may also want to be open on Saturdays or Sundays, depending on the nature of your business.
- ▶ To whom should the call center training function report?

whelming. But by the end of two weeks, new employees are ready to roll with plenty of confidence.

Fun, motivation, and energy

Keeping the energy level high is extremely important in any call center, both through incentives and fun promotional efforts designed to keep reps' enthusiasm high. Prizes can be awarded hourly, daily, and weekly for achieving sales or performance targets.

Building business knowledge is another critical training area. The San Francisco-based California State Automobile Association has a unique and award-winning systemic approach to learning. It has five phone centers in California and more than 72 walk-in service centers across California, Nevada, and Utah. Its call center environment is strictly customer-service-focused, taking mostly inbound calls. The centers are staffed by employees rather than outside people.

Says Autumn Wagner, manager, human resources information management systems: "On more than 10 percent of our calls, we found it was taking an average of two minutes to look up some bit of information—that's an eternity to a caller and the service representative. That created a lot of insecurity for our people because they didn't always know the answer. Meanwhile, callers didn't feel confident about those interactions.

"Access to information was limited, and it was located in several different manuals. Finding it was cumbersome and took too much time. And the information wasn't necessarily current, consistent, or complete.

"As a stop-gap measure, the call centers developed their own manual. That was useful, but it still didn't cover the full range of questions. People still weren't sure where to find information, and it wasn't practical to keep the huge binders on their desks."

After a tremendous amount of needs assessment, CSAA custom-built an electronic performance support system accessible from desktop PCs. It includes more than 20,000 pieces of information.

"We knew that in order to make this system work for a phone center, our people had to be able to retrieve

information quickly, the information had to be concise, and it had to be easy to explain to people over the phone," says Wagner. "The customized WinHelp application was easy for novice PC users to learn.

"The minute this system was up and running, supervisors stopped roaming and started coaching. Not only were the service reps saving time doing a better job; so were the people who supported them.

"We're projecting a 783 percent return-on-investment, based on productivity improvements associated with less wait time, errors, and rework. The system has become the knowledge database of our organization."

Bottom-line benefits

Clearly, the call center revolution wouldn't be as widespread if companies weren't achieving dramatic bottom-line improvements.

Says Brown of First Data, "We've grown from 2 million active accounts to more than 6 million in three years. We've expanded from one to three sites and improved productivity 60 percent on the call center side. And we've moved from a mainframe to PC environment, which has greatly improved our efficiency."

In orchestrating its training program, CSAA took a self-directed learning approach, relying less on classroom instruction and more on outside suppliers to deliver several learning initiatives. It partnered with Universal Training to develop computer-based training to help people acquire the basics of the touring function. Customer service and certain other types of training are still instructor-led.

CSAA also has what it calls a learning coordinator or coach, who ensures that employees cover the correct modules, that learning is taking place, and that productivity is maximized. He or she is also a resource for answering questions. Learners graduate through a behavior-modeling-driven, four-step CBT process; role play, monitored calls, and a debriefing.

"We did extensive ROI analysis and found the approach wasn't cheaper, but it was more effective in learning retention and productivity. People can be put on the phones

ESSENTIAL SKILLS

What skills must a call center's staff have? Douglas Williams of Citicorp Credit Services says that knowledge of a business's products is most important. Representatives have to feel confident about their jobs. Training can help increase their level of experience and confidence.

Because reps have to listen to callers to find out their needs and specific situation, strong interpersonal skills are important. No two callers or customers are alike.

Listening to your reps is equally important. Make sure there are no barriers between managers and staff working the phones, keep communication lines open, and encourage reps to tell their managers about their difficulties and successes.

Inbound representatives in particular have to be flexible—they never know what kind of call they might receive or how they can help a customer. They may have to juggle the needs of a caller with the needs of the company. They must be prepared, know their tools, and have the authority to use them. Being a call center representative isn't easy.

Problem solving is important—learning how to take apart a call or problem may yield more than one solution. Improved customer satisfaction should be the end result.

Negotiation skills—whether collecting on an account or affirming certain actions—are important to phone customers.

We urge representatives to call another call center to compare and evaluate the level of service. Then, we ask them to think about how they felt. Was it a positive experience? Would they want to do business with that company again?

more quickly, there's less downtime for training, and we cut the curriculum by 40 to 60 percent," says Wagner. "Managers like the idea of having self-directed learning available on-site so trainees don't have to travel."

Benchmarking the best

What do you want to measure? Quality? Productivity? Cost? Performance gaps? There are many ways to measure the effectiveness of your call center—such as computer-generated productivity reports, quality checklists, and expense figures.

You need to ask: Are the comparisons fair, or are there other factors to consider? For example, people and companies buy more when the economy is good, and payment delinquency goes up when the economy is poor or credit criteria are lowered to stimulate business.

"Inspect what you expect" is especially relevant to call center operations. The best way to ensure service quality is to monitor calls randomly, screen reviews to see how accounts are being handled, and have call-calibration training. Call calibration makes all monitors consistent about what they listen for and how they measure effectiveness.

Based on working with more than 400 major North American corporations, TARP identified three primary ways companies can improve their payback from customer satisfaction measures.

One, a company must be precise in the way it interprets dissatisfaction measures. How satisfied is a "satisfied" customer? When is "good" good enough? Companies that ask customers how satisfied they are but don't research their expectations can't answer those questions.

Two, be sure to include questions about effects on the market that result from dissatisfaction levels. A cause of dissatisfaction that doesn't translate to market damage isn't as important as one that does.

Last, don't forget to ask customers probing questions to reveal the sources of their satisfaction or dissatisfaction—such as, "Why are you dissatisfied?" and "What corrective actions would improve your satisfaction?" Be sure your monitoring sys-

TRAINER'S CHECKLIST

Here are some factors to consider when planning a call center training program.

FACILITIES AND TOOLS

What type of training facilities will you need? How many rooms and for how many trainees? Will you need computers? How big should the workspaces be? Should computers be set up classroom style, in work cubes, or in horseshoe style? Will you need whiteboards, PC projectors, PowerPoint, and so forth?

TRAINING OPTIONS

What is the best approach or combination of approaches for training delivery, including classroom instruction, intranets, CBT, learning centers, and OJT? Courses can include orientation; new-employee training in technical and interpersonal skills; ongoing training to refresh and enhance skills; ongoing training to upgrade skills when reps move from one work unit to another; account-retention training; on-the-job training; and management training, particularly in listening, feedback, and coaching skills.

DEVELOPMENT

Will it be done internally or outsourced? Will it be in the form of outside seminars or university classes? Will you need to develop custom programs, use generic ones, or use a combination? Some training—such as understanding a company's culture, policies, and procedures or using a particular computer system—must be customized. Training in basic skills such as listening, coaching, and giving feedback can be generic. But even generic training should be customized to the particular industry. For example, supervising a call center group is different from supervising four people in a branch office.

EVALUATION

How do you ensure that the training continues to meet the needs it was designed to address? First, it's important to conduct an extensive needs analysis to identify a company's needs and the training that is required to address those needs. Next, provide skill evaluations and hand-off checklists to supervisors. Then, have a feedback device for finding out how well people perform on the job and for identifying new training needs. Last, you need excellent ongoing communication. The trainers should stay in touch with the operational changes that can happen daily in some call centers.

STAFFING

How many trainers will you need? How many stand-up trainers? How many developers? How many trainers to write and maintain policy and procedures manuals? Or should that role be done by a separate department or operational group?

SCHEDULING

What should the schedule be for the training? How can you best let people know what is offered, and when?

ROI

How will you measure the return-on-investment from training?

tems produce actionable data that can be used to answer those questions.

"We benchmark by doing client satisfaction surveys and annual employee satisfaction surveys," says Brown of First Data.

"We look at certain standards and expectations for clients. We have monthly measurements for quality performance. We also use VISA and MasterCard membership survey data, which is public domain information. Visa and MasterCard survey bank card organizations of all sizes. We look at training and quality as benchmark tools," says Brown.

Says Williams of Citicorp Credit Services, "We look at communication, measurement, and an ongoing relationship with the training department. We measure everything; that is the only way to know whether your staff is performing as needed and whether reinforcement training is necessary. We monitor each released class and look for trends associated with its performance. We identify training needs quickly to ensure that accurate information is indeed being communicated correctly."

Says Shiman of Baxter, "Define and measure! Define and measure the product knowledge, the systems knowledge, the telecom knowledge (how well reps use the systems, message boards, menus, and so forth), the telephone responsiveness (this is where call monitoring comes into play), and the qualitative remarks from customer ratings."

Recommends Wagner of CSAA, "Break the training into modular components. Use an individualized approach wherever possible (as opposed to group training), and use appropriate technology, such as computer-based training. Support trainees with high-touch. You need someone to orient people to new equipment, coach them, and answer their questions."

The advantages of a more self-instructed approach are that people can start training immediately and in small units, which is important when you're cross-training. "Learning retention is greater and the trainees are more engaged," says Wagner.

Reducing turnover

How can you hold onto good people

in a call center? Effective planning, training, and communication are critical. Here are some suggestions.

- ▶ Locate the center in an optimum site or sites.
- ▶ Hire qualified people.
- ▶ To minimize job frustration and stress, train reps so that they are completely prepared to handle their job responsibilities.
- ▶ Let reps know what is expected of them, and give them the skills and support they need to meet and exceed expectations.

In addition, senior management must “walk the talk” by giving call center reps the time, tools, and technologies to do their jobs effectively. Supervisors must make supporting and developing people a top priority.

Once a call center is up and running, it's important to address issues of morale early on. Conduct annual morale surveys, hold focus groups, and ensure that managers and coaches are in tune with their people.

From the hundreds of focus groups we've conducted with call center reps, we found that morale issues can arise from a broad spectrum of factors, including hours and salary, negative feedback from supervisors, supervisors not knowing how effective reps are, constantly changing policies and procedures, poor communication, not being treated like adults, management's obsession with number-crunching, a lack of amenities, and not being given time between calls or having to do paperwork while making calls.

Another important factor contributing to turnover is the “we-they gap.” Some departments are perceived as having greater value than others, so their people are regarded more highly and paid better. When some departments get bonuses and others don't, the nonbonus people might get angry because they feel their jobs and job stress are just as significant as those of the people who got bonuses. Some companies don't have sufficient career paths; there may be only one or two growth positions outside of supervisor. Ambitious people might think they have to leave a department or call center for more career opportunities. Such issues must be addressed regularly.

With all of the elaborate steps companies take to build the right con-

cepts, values, and skills, why is there still so much turnover in the industry, and what can you do to improve employee retention?

Says Shiman: “Because our operation uses a self-directed approach, inclusion is a powerful motivator. You're much more inclined to raise the bar on your own performance.

“You also get into the whole reward and recognition piece. I've found it's not so much all the hoo-ha—it's the daily acknowledgments that improve retention. You hear someone defusing an angry caller particularly well and tell that rep, ‘You did a great job. I like the way you....’ That's the acknowledgment and support approach.

“Developmental feedback is the most difficult piece. When feedback is given in context, within the rules of the game that people have agreed on, it's more open and less threatening.”

Says Williams of Citicorp Credit Services, “Having a new-hire training unit has helped. Our rate of between 0 and 90 days attrition is low. Beyond that, like any call center operation, we start to incur challenges.”

Third-party providers

One factor that third-party service providers may think distinguishes their training needs from company-owned call centers is their perception of the unique needs for training employees to tune into the operations, culture, and mission of the client companies they serve. That's true, though it's just as true for new employees at any company.

During our focus groups with employees in all types of call centers, the overriding issues are that they want to understand the big picture, what other departments do, where they fit in, what their company's mission is, and what is expected of them.

A third-party service provider tends to think it has additional training needs because it may have to train people in several different corporate cultures because it handles calls for different companies. Third-party service providers may watch service levels more carefully because of contractual agreements, and the reps may have to understand different corporate policies and procedures (training, job aids, and online manuals can help with that). But company-owned call centers can have sim-

ilar problems. For example, employees may have to be familiar with many product lines and customer bases. Unique to each call center are its business strategies, operational procedures, and company mission.

People in all types of call centers must be kept up-to-date on policy and procedure changes and marketing promotions. They also have to expect changes in work flow. In almost all companies, Mondays are big days for customers to call in with orders, service complaints, responses to letters, questions about statements, and so forth. But the causes for the call-ins may be different, depending on the type of company.

Some telemarketers use scripts in their sales presentations, but they still need knowledge and skills to do their jobs. Telemarketing, customer service, collections, credit, and help-desk people who talk on the phone have to understand products, policies, and procedures because there are so many variations of what needs to be done to sell or to meet service needs. Customer service and technical support people have to be troubleshooters and problem-solvers.

Technical support people in high-tech companies especially depend on troubleshooting scripts to help customers solve technical problems. But scripts don't do the whole job. Support people still have to be technical experts and have excellent customer service skills—a difficult combination of competencies to achieve.

In every type of call center, representatives may have to transfer calls because the need or requested information is out of their area, or they can't access the right computer screens. In some cases, the information they need comes from any of dozens of departments. Such differences in call centers have to do with communications, training, job aids, and so forth; 80 percent of the basic skill and competencies are the same.

Building a service-driven culture

Baxter's values for all employees are the three Rs: respect, responsiveness, and results. That's the centerpiece for the operation of the company, and it ties into the value of its call center.

Lessons From the Training Front

Here's some advice from several trainers and frontline managers on how to improve call center operations.

EILEEN SHIMAN
Manager
The Center for One Baxter
Baxter Healthcare Corporation
Deerfield, Illinois

In the end, it isn't about technology, systems, and products. It's about communication. The better you're able to acknowledge good work and provide constructive developmental feedback, the more your people will be willing to move to higher levels of performance.

Another suggestion is to have some fun—life is short! Relationship building is critical. Call your own mentors to see how they're doing when you don't really need anything but are just calling to say hi.

It's exceedingly important to share learning, success stories, and anecdotes across the company. Be sure to email or send memos to higher-level sponsors to keep them abreast of what call center people are doing. Invite the president and senior managers to the center to sit in on a few calls. That boosts team morale and gives managers a reality check about what your people deal with every day. The call center is live: Managers can hear what customers are really asking for and saying.

Don't be afraid to ask experts for help. Don't be too shy to talk to others about their perspective. Having people to lean on can keep you from feeling as if you've been dropped into the deep end of a pool.

DAVE SAWTELLE
Account Manager
Matrixx Marketing Inc.
Salt Lake City, Utah

If people on the sales floor don't understand how revenue is generated and how they fit into the big picture, no new-employee training can ever make up for that.

DOUGLAS WILLIAMS
Vice President of Operations
Citicorp Credit Services Inc.
Kansas City, Missouri

Never assume anything! Also, don't become discouraged; one bad day does not make a trend.

If you aren't a people person, you shouldn't be in this business. No matter how much technology we have, it doesn't mean anything without human contact.

You must become truly devoted to developing your people. We are so diverse that it's mandatory to give them responsibility, develop them, and expose them to different things.

DOUG BROWN
Vice President, Customer Service
First Data
Tulsa, Oklahoma

Match client expectations at the front-end with what the delivery has to be and how you will manage the process. Whether you're dealing with a vendor or talking to a customer, make sure expectations are outlined in the beginning, and have some flexibility about changes.

Make sure you go into a center that offers an infrastructure and resources to provide the critical support elements, including quality training, technology, and systems.

Selecting a potential site involves much more than just picking a city because someone likes it.

AUTUMN WAGNER
Manager, Human Resources
Information Management Systems
California State Automobile
Association
San Francisco, California

Get close to your audience. We worked with outside suppliers, but our development process included everyone. We used project management technologies and methods and we really understood the business need. Collaboration pays off in a better [center] and avoids many problems.

Content is everything! We had more than 20,000 pieces of information in our first online help implementation. Be sure to have a cross-functional team review the content of everything that goes into your system. Roundtable review has a surprising side benefit: It begins the process of organizational learning. People from different functions across our organization began to transcend their narrow focus and gain a big-picture perspective of our business processes.

JOHN GOODMAN
President
Technical Assistance Research
Programs
Arlington, Virginia

Be sure to develop effective response rules for handling the difficult issues that service reps encounter every day. There should be standard responses for typical information requests, as well as for more challenging "Yeah, but" inquiries.

Make certain that call-center rep evaluations are based on customer satisfaction instead of the number of calls handled per hour.

Include effective input mechanisms for frontline employees to keep management informed about the realities of call center operations, such as what are typical calls, frustrating calls, and preventable calls. Try the "plop in front of the desk routine," in which each rep is assigned to a senior executive and has to with meet with him or her briefly every month for a reality check about life on the call center front line.

Quantify the cost of poor or mediocre service to create an economic imperative to invest in improved service. The only way to get the resources you need is to show that you will make more money via better service.

"You must have good internal relationships—you can't treat each other poorly inside the company and expect reps to treat customers well," says Shiman.

As part of that effort, Shiman's team is piloting a series of two-hour, customer-focused dialogues in which selected people across the organization will discuss internal customer requirements, based on these criteria:

- ▶ Do you understand the need?
- ▶ Is your information accurate?
- ▶ Is there a timely response?
- ▶ Was it a pleasant experience?
- ▶ Am I taking ownership and accountability for getting the answer?

Next, pilot participants will engage in role play and exchange examples of desirable and undesirable service behaviors. To ensure that they retain what they have learned in the sessions, the facilitators will ask participants to talk to their department members, tell what they did and what they learned, and ask them to tell more people about the process. Then, Shiman's colleagues will call participants in a month to see whether they internalized the concepts and communicated them to others.

"To our way of thinking, this is a tremendous way to grow a customer-focused organization. We are constantly having conversations about customer comments," says Shiman.

In a way, a call center represents the entire world of work, with a difficult mission: to help companies meet the unique needs of their customers in a highly efficient and responsive way, while having a positive impact on the bottom line. Achieving success requires finding, training, and retaining employees who find this kind of work uniquely suited to their talents, temperament, and needs.

The dramatic escalation of call center operations is no longer a North American phenomenon. The call center revolution has gone global, big-time, with many similar benefits.

Call centers have the same challenges one might face staffing a factory, an office, or a government agency. The issues are often on the people side of the equation, or they're operations problems that manifest themselves as people problems.

The result is fertile ground for training and HRD professionals. The call

WHERE TO FIND MORE INFORMATION

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