Applying Benchmarking
Today

Presenters:
COPC Inc.
Alton Martin
Cheryl Coppens
About COPC Inc.

♦ Founded 1996 – Support over 1,000 companies – 75 Countries

♦ Mission: Help customer service organizations drive performance improvement using the COPC® Family of Standards

♦ Created global standard for end-to-end customer operations management and performance
  - Governed by a global committee of industry leaders to establish best practices model for achieving customer service excellence
  - Developed a comprehensive operational framework tailored specifically for customer service operations, designed to improve customer satisfaction, increase revenue, and reduce costs
  - Created global contact center benchmarking database comprised of 100% fully audited data
  - COPC Inc. staff is trained on Lean Six Sigma methodologies
Service Operations Consulting Approach

Strategic Business Objectives Drive
Service Strategy, Organization Design, & Planning

Key Metric Drivers – People, Process, Technology Optimization

- Process Control and Problem Solving
- Transaction Monitoring and Customer Satisfaction
- Workforce Management
- HR, Recruiting and Training
- Technology Optimization

Performance Management
High Integrity Data, High Performance Targets
What is SmartMarks™?

- SmartMarks™ is a benchmark database with over 200 call center metrics captured from over 1,500 call center programs globally.
  - Benchmark information comes from data captured through COPC Inc. audits to develop a unique and objective benchmark database
  - Ability to select data by geography, industry, internal or third party providers, type of applications, call center volumes, etc.
  - Based on COPC Inc. audited data, not self reported or survey data typical of most benchmark databases:
    - <1% of centers audited by COPC Inc. actually call monitor the way they say they do
    - At least 50% of the metrics reported in a typical center lack integrity (COPC Inc.’s “CUIKA” Concept)
    - Metric definitions can vary widely across industries and companies
    - A typical center gathers <20% of the required metrics
### COPC SmartMarks™ Metric Report

**Report Information:**
- **Metric Name:** Processing inbound end-user calls
- **Cycle/Scale:** 11-20
- **Highest Quartile Value:** 99.76
- **Lowest Quartile Value:** 89.08
- **Number of Benchmark Programs:** 43
- **Avg and Median Target:** 80.33
- **Programs which Achieved Target in >= 3/4 of Time Periods:** 64/172
- **Programs showing Improvement - 3 Consecutive Data Points above Previous Level:** 8/172

**On Time Service Level**
- **Service Level = % calls offered, answered within X seconds**

<table>
<thead>
<tr>
<th>Cycle/Scale</th>
<th>Highest Quartile Value</th>
<th>Lowest Quartile Value</th>
<th># Of Benchmark Programs</th>
<th>Avg and Median Target</th>
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<th>Programs showing Improvement - 3 Consecutive Data Points above Previous Level</th>
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<tbody>
<tr>
<td>11-20</td>
<td>99.76</td>
<td>89.08</td>
<td>43</td>
<td>80.33</td>
<td>64/172</td>
<td>8/172</td>
</tr>
<tr>
<td>21-30</td>
<td>98.25</td>
<td>89.15</td>
<td>13</td>
<td>77.35</td>
<td>24/51</td>
<td>1/51</td>
</tr>
</tbody>
</table>

**On Time Service Level**

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<td>21-30</td>
<td>98.25</td>
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<td>77.35</td>
<td>24/51</td>
<td>1/51</td>
</tr>
<tr>
<td>21-30</td>
<td>88.05</td>
<td>81.51</td>
<td>13</td>
<td>80.00</td>
<td>47/51</td>
<td>2/51</td>
</tr>
</tbody>
</table>

**Performance by Quartile**

*Identifies high and low performers within 25% groupings. Top represents top 25% of companies, bottom represents bottom 25% of companies.*
Metrics such as Customer Satisfaction and Dissatisfaction are reported based on scale (5 point neutral, 9 point continuous, etc.) and as Top/Bottom Box and Top 2/Bottom 2 Box scores providing an accurate comparison to your companies measurement.

<table>
<thead>
<tr>
<th>Metric Name</th>
<th>Cycle/Scale</th>
<th>Highest Quartile Value</th>
<th>Lowest Quartile Value</th>
<th># Of Benchmark Programs</th>
<th>Avg and Median Target</th>
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<th>Programs showing Improvement - 3 Consecutive Data Points above Previous Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>CSAT</td>
<td>5 - Neutral mid-point scale</td>
<td>94.04</td>
<td>89.90</td>
<td>14</td>
<td>80.07</td>
<td>39/ 55</td>
<td>4/ 55</td>
</tr>
<tr>
<td>% End-users within Top Two Boxes of Satisfaction Scale</td>
<td></td>
<td>89.90</td>
<td>87.19</td>
<td>14</td>
<td>80.00</td>
<td>70.9%</td>
<td>7.3%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>87.19</td>
<td>80.65</td>
<td>14</td>
<td></td>
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<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>80.59</td>
<td>52.67</td>
<td>13</td>
<td></td>
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<tr>
<td>End-user Dissatisfaction</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>DCSAT</td>
<td>5 - Neutral mid-point scale</td>
<td>1.17</td>
<td>0.00</td>
<td>17</td>
<td>3.89</td>
<td>29/ 66</td>
<td>3/ 66</td>
</tr>
<tr>
<td>% End-users within bottom box of Satisfaction Scale</td>
<td></td>
<td>2.33</td>
<td>1.42</td>
<td>17</td>
<td>4.50</td>
<td>43.9%</td>
<td>4.5%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>6.76</td>
<td>2.34</td>
<td>16</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>24.75</td>
<td>7.22</td>
<td>16</td>
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</tbody>
</table>

- Can filter by service application, industry, geography, provider type, end user, assessment type, transaction volume & date
Using SmartMarks™ to Benchmark Performance

- Determine the appropriate benchmark within the industry to provide an accurate comparison to individual client performance.

- This customer is performing well below their competition related to Customer Satisfaction.

- Performance issues are identified and action plans are implemented to improve performance.
Using SmartMarks™ to Benchmark Performance

- Gaps are identified across a variety of attributes. In this case, attention is focused on customer affecting elements within Fatal Error Accuracy to have the quickest impact on performance.

- As indicated in this chart, performance improves dramatically once action plans have been developed and implemented.
As clients progress through the benchmarking tiers, data integrity increases and therefore so does the number of metrics we are able to use for benchmarking purposes. Trending also becomes possible to show the impact on ROI.
Case Study Overview/Challenge

- Highly competitive market, customer retention is important
  - Losing unsatisfied customers to competitors

- Inconsistent customer experience
  - A lack of consistency in everything: Hiring requirements, managing vendor performance, call flow, etc…
  - >40 sites, >20,000 agents, 130+ Call Types

- Lack of goal setting
  - Simple “we will be number 1” messages were too weak and lacked specific directional steps.

- Lack of key metric definitional agreement
  - CSAT – Sample was not statistically valid nor correlated to the real drivers of their customers’ satisfaction
<table>
<thead>
<tr>
<th>COPC ® SmartMarks™ Extract for: Client X</th>
<th>Definition</th>
<th>Comparison Programs</th>
<th>Your Performance</th>
<th>Benchmark for Comparison and Target Establishment:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abandon</td>
<td>% Calls abandoned with zero second threshold.</td>
<td>41</td>
<td>Measured Incorrectly</td>
<td>Average 7.65 minutes, 1st Quartile: 2.26-4.71, 2nd Quartile: 5.13-8.30, 3rd Quartile: 8.38-14.04, 4th Quartile: 14.19-33.04, 34%</td>
</tr>
<tr>
<td>Fatal Error (% without a error)</td>
<td>% Calls Monitored without Fatal Defect</td>
<td>35</td>
<td>Not Measured</td>
<td>Benchmark Reality: Many not measured!</td>
</tr>
<tr>
<td>First Call Resolution</td>
<td>% Resolved on First Contact</td>
<td>10</td>
<td>Measured through CSAT survey. Process is not statistically correct.</td>
<td>Average 78.2%, 1st Quartile: 87.3-89%</td>
</tr>
<tr>
<td>Utilization</td>
<td>% Utilization = Available + ACW + Talk + Hold/ Paid Hours</td>
<td>7</td>
<td>Measured differently per site</td>
<td>Average 85%, 1st Quartile (Top): 86.25-87%</td>
</tr>
<tr>
<td>On Time Hiring</td>
<td># Agents Provided by Recruiting/# Agents Requested</td>
<td>4</td>
<td>Not Measured</td>
<td>Average 95%</td>
</tr>
<tr>
<td>Successful Completion Training</td>
<td>% Agents Successfully Completing Training per month</td>
<td>4</td>
<td>Not Measured</td>
<td>Average 86.25%</td>
</tr>
<tr>
<td>% New Hires passing Quality in 30 days</td>
<td>% Agents Passing Transaction Monitoring the first 30 Days after they go live</td>
<td>5</td>
<td>Not Measured</td>
<td>Average 78%</td>
</tr>
<tr>
<td>Customer Satisfaction</td>
<td>% End-users Satisfied within Top Two Box of 5 point scale</td>
<td>6</td>
<td>Measured, survey lacks calibration of results, not all sites participate</td>
<td>Average: 82.44%, 1st Quartile (Top) 91-94%</td>
</tr>
<tr>
<td>Dissatisfaction</td>
<td>% End-users Dissatisfied and within bottom box of Satisfaction 5 point Scale</td>
<td>11</td>
<td>Measured, Not Reported</td>
<td>Average: 2.45%, 1st Quartile (Top) .98-1.24%</td>
</tr>
<tr>
<td>Attrition</td>
<td>% Annualized Monthly Internal and External Voluntary and Involuntary Terminations (CSR attrition only)</td>
<td>19</td>
<td>Measured differently per site (216% Annualized)</td>
<td>Average: 57.26%, 1st Quartile (Top) 48.4 -21.2%</td>
</tr>
<tr>
<td>Absenteeism</td>
<td>% Annualized Monthly External Voluntary and Involuntary Terminations (CSR attrition only)</td>
<td>19</td>
<td>Measured differently per site</td>
<td>Average: 6.29%, 1st Quartile (Top) 3.66 -4.54%</td>
</tr>
</tbody>
</table>
## CSAT – Process

<table>
<thead>
<tr>
<th>Area Reviewed</th>
<th>Your Performance</th>
<th>COPC Benchmark</th>
<th>Recommendations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sampling rules</td>
<td>• Vendors don’t always submit calls to Client X on time</td>
<td>• Process and procedures for CSAT survey defined clearly with time lines and accountability</td>
<td>• SHORT TERM - Need to tighten up the process, (i.e., when vendors submit call files late, those calls are not included)</td>
</tr>
<tr>
<td></td>
<td>• There is no clear candidate goal or sampling goal in general</td>
<td>• Use sampling methodology that includes all call types and are statistically relevant</td>
<td>• SHORT TERM - Revisit scrubbing rules. Some rules may be inappropriate.</td>
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<td></td>
<td>• There are three levels of scrubbing – by Client X, by CSAT Vendor, rules for entering into dialer. The scrubbing process varies with how many calls were submitted</td>
<td></td>
<td>• SHORT TERM - Ensure sampling is representative of the population.</td>
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<tr>
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<td>• Sample is biased– Filtering is allowed to exclude customers based on non valid criteria          (i.e., regional, call type, etc…)</td>
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<tr>
<td>CSAT Vendor survey</td>
<td>• Survey does not capture enough attribute level data to determine the key drivers of customer satisfaction and dissatisfaction that can be used to improve processes</td>
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<td>• Not all questions are relevant to the customer experience.</td>
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<td>• When administering the survey, the agents verbally talk through the 5 choices instead of clarifying that a 5 point scale is used. Customers hear the words “satisfied” and “dissatisfied” repeatedly and very quickly. It is not clear how many choices there are because the choices seem to run together</td>
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<td></td>
<td>• Questionnaire includes questions for overall sat followed by questions on attributes that can be used as levers to make adjustments</td>
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<td>• Inform customers upfront that we are using a 5 point scale with 1 being very dissatisfied and 5 being very satisfied.</td>
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<td>• Ask customers to think about their experience using the 5 point scale and provide an answer using a number</td>
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Initial Baseline – Benchmark Comparison:

- Recruiting (Internal)
- Recruiting (External)
- Reporting/Analytics
- Management Attention on Key Metrics
- Training (New Hire)
- Rewards and Recognition
- QA Program (Quality Monitoring)
- Training (Continuous)
- FCR/IR (Management of the Metric)
- CSAT (Management of the Metric)
- New Program/Product Implementation
- Call Center Mgmt Skills (Supervisor Level)
- Organizations Ability to Improve
- Vendor Management
- Training (Refresh/Skills Gap)
- Call Handling Process (Flow)
- Customer Feedback/Complaint Mgmt
- Attrition (External)

Skills Verification

Very Poor | Poor | “Typical” | Better | High Performance

Typical = What COPC Inc. has found in most of the 1000+ Centers audited across 35 countries.
Note: Typical does not mean good.
How bad was the situation?

And the Benchmark said...

CSAT Top Two Box:
Average: 82.44
Top Quartile: >91%

DSAT Bottom Box:
Average: 2.45%
Top Quartile: <1.24%

Current Focus:
• Goal to reach average first, then top quartile levels.
• These are the customers most likely to deflect!!
Status as of Dec. 2008

Positive Shift!

► Recruiting (Internal)
► Recruiting (External)
► Reporting/Analytics
  ► Management Attention on Key Metrics
  ► Training (New Hire)
► Rewards and Recognition
  ► QA Program (Quality Monitoring)
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Solution

- Benchmark Review
  - Comparison of performance/processes to call center peers
  - Short Term and Long Term activities identified

- Plan for improvement
  - Detailed joint plan designed to implement change

- Definition of approaches to gain consistency and deployed
  - All movement required this step before improvement could be made
    - Agreed upon “foundational” decisions
    - Agreed upon Roles and Responsibilities

- Definition and delivery of metrics
  - Establishment of targets based on benchmark, service, quality and cost

- Delivery of training to drive consistency
  - “Call Center 101” type training for all managers and support personnel
  - Vendor Manager 101
  - Work Force Management 101
Thank you

Questions & Answers