



Three Wishes For The Call Center Manager

By Robert Camastro, Virtual-Agent Services

When the call center genie pops out of the bottle and offers to grant three wishes, most of us would be tempted to wish away two of our problems and reserve the third wish for the granting of three more wishes. After all, most of us have more than three problems to solve in our call centers. Unfortunately, an experienced genie is not going to fall for this old trick, so we had better stick to the time-honored three-wish allocation. This being the case, what would you wish for? Here is my list:

First, I would ask that my call center be located in the middle of a vast, untapped and untargeted labor market so I could be guaranteed an abundance of high-quality candidates. Assuming I didn't have to use a second wish, I would also want to be protected from other call centers springing up around me and trying to recruit my people.

My second wish would be for my employees to be consistently reliable and efficient without the need for expensive supervisory overhead, performance tracking systems and ugly disciplinary procedures.

Last, I would ask for the wisdom to know how to assess the value of automated solutions so that I didn't throw away money at systems that don't work.

There is, of course, no telling when a genie will appear to help us solve our three biggest call center problems. In the meantime, allow me to make the following suggestions, at least as they pertain to my wish list.

Locating Your Call Center

The classic model for locating call centers involves sorting through a plethora of data compiled on demographics, cost of living, government incentives and real estate availability in every conceivable locale. There are even site-search engines and consultants that will do these studies for us using massive databases and sophisticated scoring and indexing programs, which produce the perfect solution.

So then, if everyone has access to such advanced technology for locating their call centers, why is competition for labor one of the industry's biggest problems? The answer is almost too obvious to be noticed — everyone has access to the same site-search engines, and everyone is looking for the same demographic and cost profile. Is it any wonder then that everyone ends up building call centers in the same place at the same time, essentially defeating the purpose of using the technology? With this approach, it is a simple reality that the best location at the beginning of your search could very well be the worst location by the time your building is completed. Scores of call center planners who have built in Omaha, Salt Lake City, Tulsa, Tucson, Tampa Bay and countless other cities over the past 20 years will attest to the sad reality of this phenomenon.

Step one in avoiding this problem is to stay away from site-search engines. They will only work if you are the only one using them...and you will not be the only one using them. Step two is to consider some of the locations that these search engines tend to systematically eliminate, namely large cities and small towns.

Large cities are generally eliminated due to cost-of-living considerations. Nonetheless, there are some real opportunities in large metropolitan areas, particularly using the reverse commute model. For example, one of the most successful call centers I know of was built in the suburban bedroom community of Moreno Valley, California, approximately 70 miles east of Los Angeles. Few people have even heard of Moreno Valley, but it is a huge community of over 150,000 people with proportionately few local jobs. Many people in this community trade off long commutes to work in order to fulfill the dream of owning an affordable home. They dedicate 10 to 20 hours a week in valuable family time to freeway driving and spend thousands of dollars annually in gas and auto maintenance. I know from first-hand experience that people in communities similar to Moreno Valley will flock to jobs located close to home, even if they have to make some reasonable concessions on compensation.

The small town option is also a regular casualty of the site-search engines because the search models look for large enough populations to support the high attrition rates typically associated with the call center business. What the models miss is that there are many small towns in North America with failing economies and plenty of people desperate for good jobs. Due to the economic conditions, attrition in such communities tends to be radically lower than average, making some small communities perfectly capable of supporting labor requirements over the long term.

Reliable And Efficient Employees

As a call center practitioner, one of the questions I hear most often in the presence of colleagues is, "What is the most effective ratio of agents to supervisors?" This question is obviously embedded in the notion that agents need to be supervised. Surely most everyone needs some support while on the job, but I believe we have taken supervision in call centers beyond the point of diminishing returns.

Consider this typical scenario: A single mother with a school-aged child, rent to pay, a car in disrepair, a credit card balance, a volunteer project at church, two courses away from completing her Associate's degree and an elderly mother to care for. She goes to a call center for a job and is hired to place catalog orders. After training, management automatically assigns her to a supervisor who will spend 5 to 20 percent of his or her time making sure that the employee does her job properly for as long as she is employed.

If this woman needs someone at work to make sure she does her job, who then is making sure she is there to help her child with homework, pay the bills, keep the car running, finish her education and care for her elderly mother? In these cases, she is obviously capable of supervising herself, and yet, for some reason, when she enters the work environment we think she needs someone to keep tabs on her. Doesn't it seem silly to put so much emphasis on supervision in call centers when the life demands with which most of our employees keep pace require infinitely more responsibility than anything we can toss at them on the job?

Getting rid of supervisors seems like utter madness, and even I would agree that in the short term, it is indeed madness. There is, however, good reason for this contradiction.

Consider the notion that the surest way to make someone dependent on supervision is to give him or her a supervisor. When an employee is being supervised, his or her natural instinct is to deflect as much of the responsibility as possible on to the person with the higher-level authority. “My supervisor hates me,” “My supervisor doesn’t know what he’s doing,” “My supervisor is not fair,” “My supervisor always monitors me when I’m having a bad day” are complaints that may sound familiar.

Conversely, the surest way to get employees to operate responsibly on their own is simply to require them to operate on their own. In this way, their successes as well as their failures belong to them alone. There is no one upon which they can deflect their problems. Unfortunately, we in the call center business have institutionalized the notion that supervision of employees is universally necessary and have thus created hundreds of thousands of supervisory-dependant call center workers.

Although we may not be able to change things overnight, we can eventually wean employees away from supervisory dependency, and we can start by getting off to the right start with new hire employees. What if, for example, we told your new hire employees that they can have the job, but only if they are capable of supervising themselves? If they are the type of people who require supervision, they are too expensive for us to hire because we have to pay for them and for someone to watch over them. Believe me, they will not only insist they can do it on their own, but they will appreciate the opportunity to work in a place that treats them like they are the responsible people they really are.

Useful Automated Solutions

Two years ago, at the height of the dotcom and IPO era, I ran into an old friend at an industry trade show. He is a brilliant systems developer and at the time was working for a smart-looking upstart company with a new idea for improving call center efficiency. After 20 minutes of him explaining the functionality of his product, I still couldn’t see how it was going to actually impact efficiency. His product was not born from a problem looking for a solution. It was actually a solution looking for a problem. The following year, he and his company were absent from the show along with many other technology providers whose great efficiency ideas fell by the wayside along with the industry’s ability to afford investment in dubious automation projects. My sharing this story is simply intended to illustrate that not all call center automation is of real value regardless of how polished the presentation. More importantly, however, there is a fundamental principal associated with assessing the value of call center automation that is almost universally overlooked.

The biggest problem the call center industry faces today is labor as evidenced by chronically high attrition rates; hence, my first two wishes. The reason for this is better left to a separate discussion, but my purpose for bringing it up is that attrition levels have a direct impact on the effectiveness of automation opportunities. That may seem like an odd combination of thoughts, but bear with me.

Most call center automation is intended to do one of two things: reduce talk time or condense idle time between calls. In theory, accomplishing either of these things improves efficiency by

allowing agents to use the time that is saved to handle more calls per hour. The cost of all such automation is justified based on the assumption that because agents will be more efficient, fewer agents will be needed to handle the same amount of work. This is a great theory, but the savings are seldom actually realized.

Any call center agent will tell you that handling 12 calls an hour, for example, is more work than handling 10. Even though it doesn't require any more time, talking to two more customers an hour increases the stress of the job because 20 percent more effort has to be put forth in closing sales, taking orders, solving problems or doing whatever the agent is there to do. If you need to gain 20 percent improvement in efficiency in order to justify the purchase of a new automated system, consider the fact that you will be essentially relying on your employees to work 20 percent harder in order to pay for it. If your call center is running high-attrition, as most call centers are, you may want to rethink that investment. A high attrition center is not going to get even a few points in efficiency savings from its employees. What it will get instead is a big automation bill and even higher attrition.

By using some creativity and shaking things up a bit, we have the opportunity to create a successful operating call center model without the worries of labor competition, high attrition, excessive supervision and expensive unnecessary technology. So maybe we don't need a genie to solve our problems for us after all!

During his 25-year career in the customer care industry, Robert J. Camastro, president of Virtual-Agent Services (www.vagent.com), directed planning and development for United Airlines, where he was responsible for the company's worldwide call center network involving over 7,500 agents and 45 domestic and international centers. In February 2003, Robert was recognized by Fast Company magazine as a "Fast 50 Champion of Innovation" for his work with the distributed workforce concept.