

# Chapter 9

## 9 Call Centre Management

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- Managing quality of contact through other channels
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  - Email

### Objectives

At the end of this chapter students should be able to:

- Define and describe call centre management
- Recognise the importance and role of human resources for the quality of a call centre
- Identify the determinants of the service level of a call centre to customers by telephone
- Plan and estimate the capacity needs of call centres in terms of telephone calls, staffing needs and routing
- Analyse how to manage the quality of the telephone contact
- Understand how to manage the satisfaction level of customer contact through e-mail and fax

**Introduction**

We are familiar with express courier services and names like DHL, Fed Ex, and Poslaju Express. We have to bear in mind that the delivery of services by these courier companies takes place at the end of a process of contact between customers and supplier companies by telephone, sending fax and e-mail. Nowadays, customers make telephone calls to companies many hours per day and ask questions and information. Customers expect the companies to provide quick answers in a friendly manner. To contact the customers, answer their questions and give them information, companies have people specially trained to attend to customer service. Companies arrange for all this in the call centre or contact centre ( Figure 9-1: A call centre).



Figure 9-1: A call centre

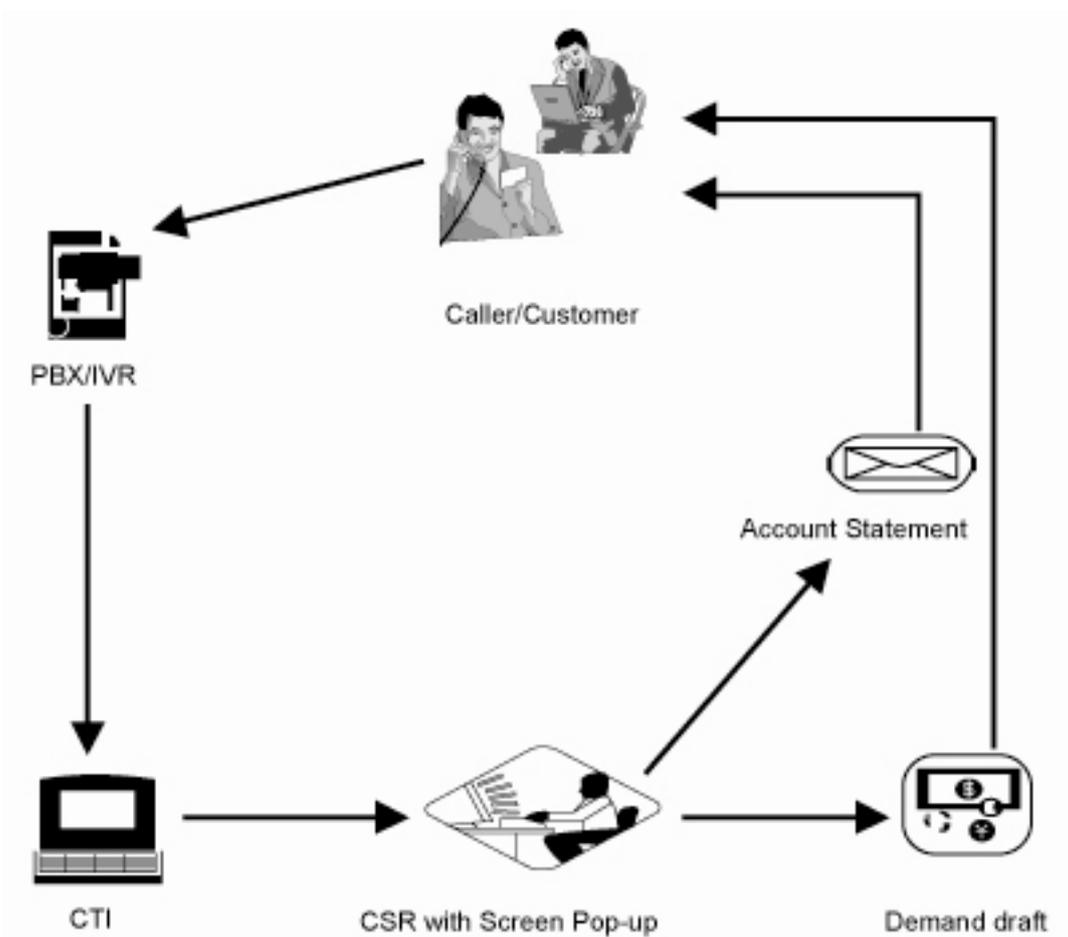


Figure 9-2: An example of a call centre serving a bank.

Figure 9-2: An example of a call centre serving a bank. above is a brief presentation of a call centre system serving a bank. The call centre is made up of three divisions: the caller, the call centre and the Bank. The caller contacts by telephone with the switchboard using PBX telephone system which is linked to the interactive voice response (IVR). Here the customer will see a list of services and queries for which the customer service representative (CSR) or

IVR can provide to the customer. Then the customer chooses an option that relates to his need. The information in the Computer Telephone Integration shown in the screen could be either the caller's telephone number or his account number. The caller may either seek a demand draft or his account statement, or if in doubt, seek the customer relationship representative's assistance.

## 9.1 CALL CENTRES DESCRIBED

In the old days, customers called telephone operators and gave them their names or account numbers, and the operators pulled up records on the screen as callers waited. When all operators were busy there will be loss of calls and calls go unanswered. Think of today where you dial the company's number, then press several buttons on the telephone that get you through menu options. You wait for a customer service representative who asks you in a friendly way the nature of the problem, request or concern. All this contact between the customer or caller and the company takes place in a call centre.

### 9.1.1 Customer support

Generally, a call centre provides customer support and improves service quality to customers. It is a central place or network of places where customer and other telephone calls are handled by a company.

### 9.1.2 Handling of calls

Typically, a call centre has the ability to handle a considerable volume of calls at the same time to screen calls and forward them to someone qualified to handle them, and to log calls (Figure 9-3 A call centre can forward calls to someone qualified to handle them.)

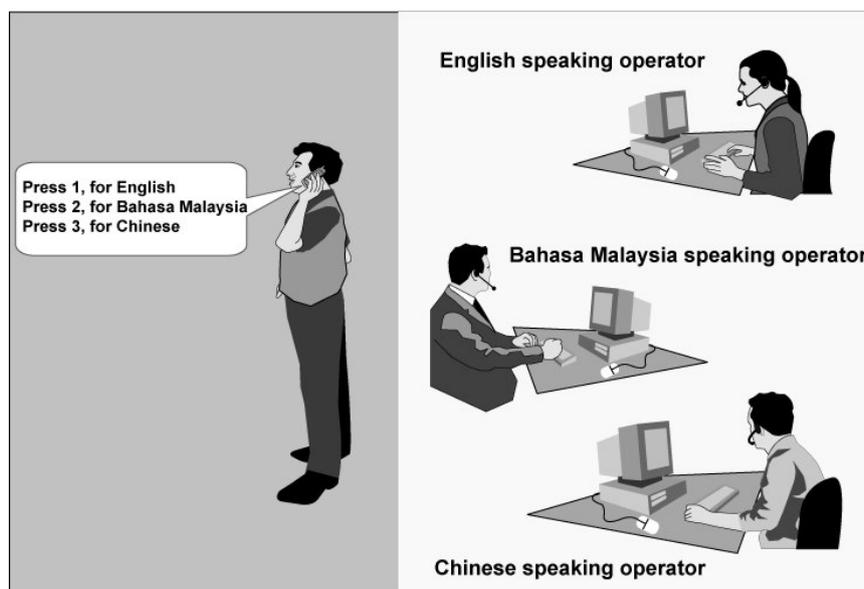


Figure 9-3 A call centre can forward calls to someone qualified to handle them.

### **9.1.3 Product Sales**

Call centres are used by mail-order catalogue organizations, telemarketing companies, computer product help desks, and any large enterprise that uses the telephone to sell or service products and services.

### **9.1.4 Telephone interchange**

A call centre is a telephone interchange and a place where a large number of people handle the incoming as well as outgoing telephone conversations with their customers and/or future customers using a switchboard with functions of automatic call distribution (ACD), call queuing and take in customers' details.

### **9.1.5 Automation**

Company call centre uses information technology to collect and manage information on its customers under the Information Base Strategy (IBS). Call centres are also supported by automated call diallers, power diallers, voice response units (VRU), and local systems integrated with voice solutions. Companies have special systems for customer contact to support the IBS. A sophisticated form of Computer Telephony Integration (CTI) ensures efficient customer handling and provides high quality service (Kumar and Reinartz, 2006). Customers can use the VRU for information on their balances.

### **9.1.6 Integration of telephone with other channels**

Companies are becoming customer oriented, investing in CRM and increasingly developing their customer relationship through telephone contacts with customers to sell and provide their product information as well as identify, get to know and give service to them. Besides telephones, e-mails, fax and Internet have been integrated within the call centre.

A company's call centre is a unit that supports direct customer interaction via telephone, IT, and capable service personnel.

## **9**

## **9.2 ELEMENTS OF A CALL CENTRE**

The running of call centres requires the management of four elements or components namely, manpower, telecommunications, information technology and process management (see Figure 9-4: Elements of a Call Centre).

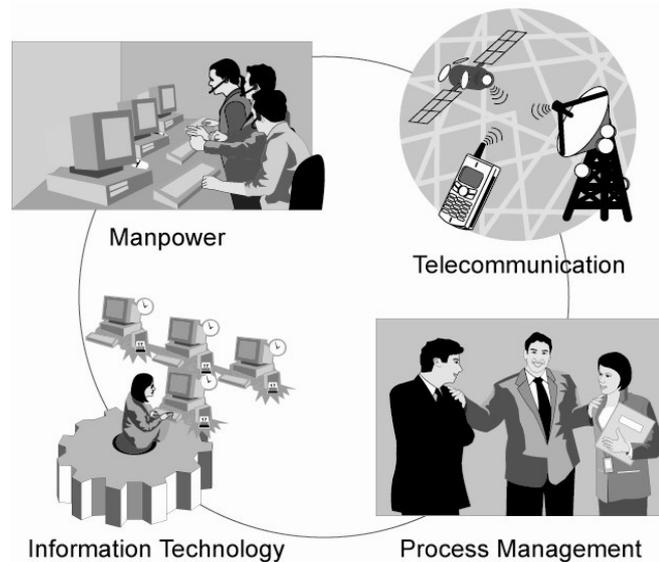


Figure 9-4: Elements of a Call Centre

### 9.2.1 Manpower (human resources)

- This is the most important element in a call centre as people determine the quality and includes the recruitment and selection, hiring and training of personnel. Reduction in staff turnover and absence due to illness are important manpower issues for call centres.

### 9.2.2 Telecommunications

- This aspect comprises the switchboard, calls routing and voice response systems. Here there is need for rescue and relief operations during emergencies like switchboard going out of operation due to computer failure and fire.

### 9.2.3 Information technology

- This aspect must make it possible to identify callers, register customer contacts, manage work flow, provide management information to back office and give electronic training

### 9.2.4 Process management

- This component involves managing the contact cycle and includes capacity planning and quality management. Capacity planning must ensure that the call centre can handle the volume of calls.

## 9.3 HUMAN RESOURCE ISSUES IN CALL CENTRES

The quality of a call centre depends on the people working in the centre, that is, the workforce rather than on technology. The main human resource issues are high rate of illness among customer service agents, labour turnover rates and retaining them. Thus investments made in hiring and training has to be recovered in a short time frame.

### **9.3.1 Making workers to stay in their jobs**

One way to make the people to stay in their jobs is for call centres to offer a challenging and conducive working environment. During the hiring phase the human resource personnel should explain clearly the nature, expectations and demands of the work at call centres regarding service orientation, communication and listening skills and discipline to update the communication history. This is also to reduce negative viewpoints and opinions regarding working conditions at call centres by agents.

### **9.3.2 Team spirit and sharing of information**

Call centre managers should build team spirit among agents by allowing them to share information about how they use knowledge of customers and the products in their conversation with customers. The agents should be involved in drawing up their performance measurements thereby give them a sense of responsibility, belonging and pride in improving the quality of their work.

## **9.4 DETERMINING THE SERVICE LEVEL IN A CALL CENTRE**

Service level is a measure of call centre effectiveness in achieving call centre goals. It is largely dependent on how well and prepared the organisation is in making itself available by telephone and quality of the telephone conversation.

### **9.4.1 Availability**

For purposes of quality, the call centre has to pay attention to their availability for customers involving the percentage of calls answered within a specified time, calls going unanswered, customers cannot reach the call centre, lost calls and response time.

Call centres can divide customers into customer groups and design different levels of services for them like those callers who can wait and those who decide not to wait.

### **9.4.2 Quality of conversation**

Service level is also dependent on the quality of the contact itself. Telephone conversations can have positive and negative effects on the customer's satisfaction levels. The positive effects are in terms of how polite the agent is, how well they know about the product, their friendliness and ability to find solutions to problems of customers.

### **9.4.3 Customer strategy**

The desired service level is determined by the organisation's customer strategy. If the organisation's strategy is customer closeness then the quality level of telephone contact should be of high priority.

The service level can be determined in terms of weighing the cost of the service against the returns from the service. For example the optimum (profitable) service level for a call centre

whose task is to take orders by telephone can be determined by the number of agents to be deployed for the completion of a given number of incoming telephone calls.

Therefore, the focus of the call centre should be in three areas:

- Getting new customers,
- Keeping existing customers
- Growing profitable customers (Anton, 2000).

This is possible when its effectiveness is measured and monitored regularly.

The first critical measure of effectiveness of the call centre is caller satisfaction and complaints, if any, which can be obtained through customer interviews.

The second is through the proportion of calls handled without further transfers or clarifications through a second call, which can be traced through electronic tracking within the call centre.

## **9.5 CAPACITY PLANNING**

The desired level of service availability is dependent upon the capacity planning in terms of **staff and equipments** to handle telephone contacts. The number of staff needed can be estimated based on the prediction of the number of incoming and outgoing calls.

### **9.5.1 Predicting the number of telephone calls**

This can be done by taking the number of calls at specified time intervals, say every 15 minutes, or by basing on sales forecasts where using the average transaction amount, the expected turnover may be converted into the number of transactions to be completed. From the number of transactions we can predict the number of telephone calls necessary to complete the transactions. The number of calls made during marketing campaigns should also be included.

### **9.5.2 Predicting the number of staff**

To predict the number of staff needed, we can analyse the telephone calls in terms of the average conversation time, average completion time, the number of calls and the desired service levels in seconds.

### **9.5.3 Connecting calls to the right people**

The effectiveness and quality of the call traffic increase with the calls taking place between the right people. To do this, the call will have to be routed.

The first and second-line agents will have to be specified in the system for the different types of contacts and customers. Hence the effect of this 'skill-based routing' on the necessary workforce size must not be overlooked in capacity planning.

## 9.6 MANAGING SATISFACTION USING TELEPHONE CONTACT

To manage customer's satisfaction levels using telephone contact, some companies divide their call centres into sections, each staffed by specialised agents. These agents who are familiar, knowledgeable and have closeness with a particular group of customers, product or customer questions can use their experience, training and attitude to improve the quality of the customer contact and customer relationship.

### 9.6.1 Qualities of customer service personnel

To obtain customer satisfaction, customer service personnel are expected to have the qualities of a good phone voice, proper phone etiquette, a positive attitude, self-motivation, and patience under stress and pressure.

Customer service personnel, especially technical support workers, should also have highly developed listening and problem-resolution skills, and have in-depth knowledge of the company's products and services.

### 9.6.2 Quality of answers to customers

The answers given to questions asked by callers are important for call centres in managing customer satisfaction. There are statistical methods to analyse data on telephone calls that can search for which answers should be given to certain types of customers who call with particular questions. This is called **data mining**. It helps to find the relationship between selected data. Data mining is described as the discovery of knowledge in databases (Peacock,1998)

From the data mining process, pre-prepared answers can be scripted for various questions that are frequently asked. This pre-arranged and written response is called a situational script. This script helps a customer service representative with the response that can be given to customers.

### 9.6.3 Keeping track of customer calls

The effectiveness of the call centre's operations can be analyzed through CRM software built-in tracking features (Figure 9-5: Goldmine - A CRM Software). Through this built-in tracking system, call centres can monitor the number of incoming and outgoing calls, call type, waiting time on hold, unanswered calls, time taken to resolve the problem and average length of call. Call centres use the findings from this data analysis to evaluate the performance of individual agents and the call centre as a whole.

Satisfaction using telephone contact can be improved by using voice recording techniques to monitor agents at work.

Call centres can use such information on agent's work performance and screen behaviour and analyse them to introduce improvements that can be used as guidance for training its employees.



Figure 9-5: Goldmine - A CRM Software

### 9.6.4 Aspects influencing customer satisfaction

In managing satisfaction using telephone contact a number of aspects should be analysed. These aspects include call charges, use of ICT in the dialogue with customers, privacy issues, structure of conversation, and the agent’s competency.

#### 9.6.4.1 Call charges

Asking customers to pay for using call centre services has a negative influence on satisfaction. Research studies indicate customers are prepared to pay for after sales service by telephone provided it is fast and handled by competent agents (Figure 9-6: Toll free Customer Service Number).

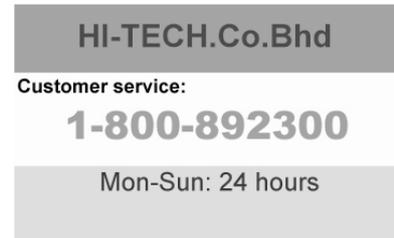


Figure 9-6: Toll free Customer Service Number

#### 9.6.4.2 Use of ICT

Customers prefer conversation with agents that gives the human or personal touch than to listen to voice response using ICT which can be agreeable for answering frequently asked questions.

### 9.6.5 Privacy Issues

Timing of telephone calls by agents should respect customer privacy. Agents should avoid calling customers at times when chances of reaching them can be high but it can be annoying like meal times, prayer times and commuting to work and back (Figure 9-7: Agents should avoid calling at meal times).



Figure 9-7: Agents should avoid calling at meal times

### 9.6.6 Structure of conversation

A good conversation following a structured format can help to conclude the contact and increase the prospect of follow-up appointments.

### 9.6.7 Agent's Competency

Customer satisfaction from conversation with agents is directly influenced by:

- the agent's skill at conducting conversation and listening abilities
- agent's knowledge and information base of the product
- the amount of time the agent makes available for the conversation

The quality of the conversation depends on the agent's competency and thinking abilities to analyse the motive and intentions of the caller to prolong the conversation and look into possibilities of promoting and selling a product.

The agents can see the information in the computer monitor to assist them in their conversation with customers. But they should focus attention to the customer's needs and address them rather than sticking rigidly to the script information on the computer screen (Figure 9-8: Computer assisted Customer Service).



Figure 9-8: Computer assisted Customer Service

### 9.6.8 Grading customer service personnel

In call centres, the team leader or coach personally examines and grades the quality of telephone contact of agents by listening in on an agent or through recording of their conversation on tape.

The agents are graded on the basis of whether the customer is satisfied, the agent's use of guidelines and conduct on the phone, structure and content of conversation, attitude, and overcoming problems by giving proper information.

Figure 9-9: Impact of Quality on Satisfaction shows the impact of different aspects of the telephone conversation on customer satisfaction. Aspects like how polite the call centre agent is when answering customer calls, their knowledge about the product, friendliness and ability to give solution to customer's problems have positive impact and increase business for the company. Keeping information about customers, fulfilling promises with customers and putting through customer's number to the right person will help the company's quality of service and business to expand.

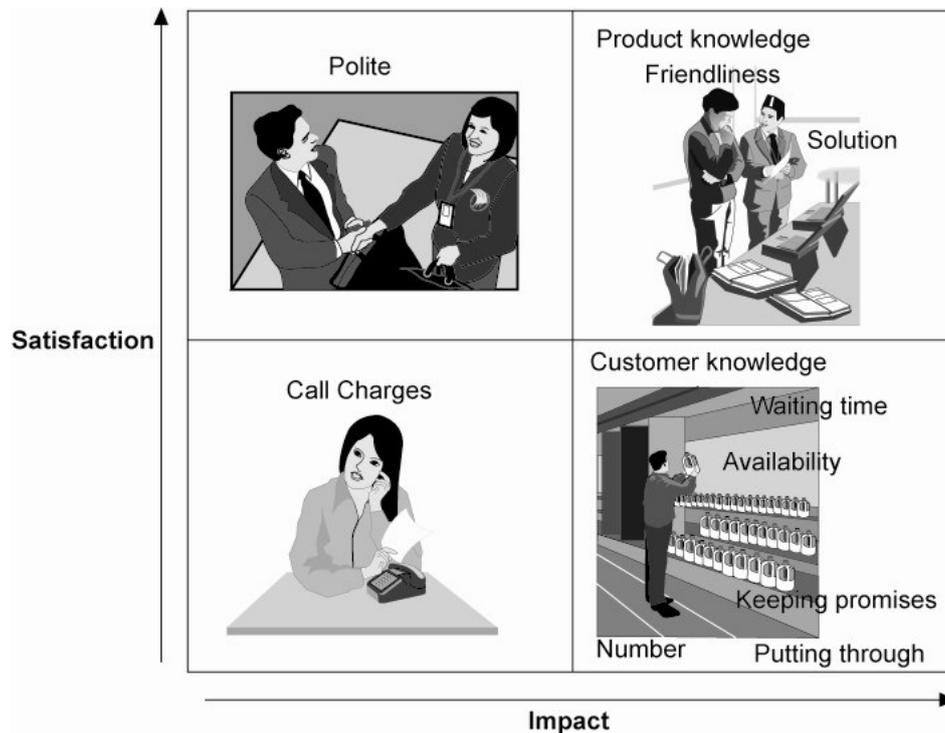


Figure 9-9: Impact of Quality on Satisfaction

## 9.7 MANAGING QUALITY OF CONTACT THROUGH OTHER CHANNELS

Besides telephone, call centres also manage contact with customers through other communication channels like writing to them and sending fax and e-mails. Call centre managers can choose to work with specialised agents who use a particular communication channel, or with generalists who can work using telephone and other channels as well.

This choice between specialised agents and generalist agents depends on:

- ✓ the outcome, effect, cost and benefits of using a channel or channels to meet customer needs,
- ✓ agent's ability to work using oral and writing skills,
- ✓ whether bringing in other channels helps to motivate agents in their work,
- ✓ whether bringing in other channels can stabilise the agent's workload

### 9.7.1 Fax

When sending advertisements by fax, call centres have to ensure that they do not upset customers in terms of making them pay the printing costs for advertisements they didn't ask for or making the fax machine unavailable for their own use.

### **9.7.2 Email**

Call centres save on printing and postage costs by using e-mails instead of sending physical mailings. E-mail contact is suitable in offering product according to customer specification. If the message link contain websites, customers are provided with information on other forms of contact channels like telephone, fax, e-mails, postal address through which direct contact increases.

Managing quality of contact through e-mail is challenging as call centres have to handle large in-coming e-mails and customers expect a prompt answer.

When sending email, call centres should respect customer privacy and avoid sending junk mail to them. They should seek customer permission beforehand for receiving messages and inform how they can stop messages from going to them in the future.

When e-mails go unanswered, customers make calls and this increases call traffic. Companies can fall back on frequently asked questions to answer in-bound e-mails and do it in a customer-friendly way.

## 9.8 SUMMARY

1. The call centre is the place where the message traffic in the form of questions and queries from customers is managed and handled by companies as it passes through different channels.
2. The call centre attempts to conduct dialogue with customers and prospects in a customer-friendly way by means of telephone, fax, and the Internet.
3. In deciding the size and capacity to manage and run a call centre there has to be balance between the people who are going to work and the use of suitable technology.
4. Technology will have to ensure the features of efficiency, convenience, reliability, and information on products and customers that contribute to reduction in costs and an increase in productivity.
5. Along with technology, people will remain indispensable for lending a human touch to the contact. People will play an important role and get the support from technology.
6. The quality of call centre depends to a great degree on the organisation's accessibility and making itself available to customers for many hours.
7. Professional capacity management must ensure that there are enough personnel available at the various times for answering customer calls and ensure the communication takes place.
8. Quality of call centres is determined by the quality of the contact.
9. Quality of telephone contact can be measured from various aspects including the agent's capability of listening to the customer's needs and wants, their communication skills and knowledge about the products and finding solutions to the problems and issues raised by customers.
10. Quality of customer contact is also influenced by the extent to which agents are sufficiently well-equipped to make good on their promises and rely on their back office.
11. The agent's level of education and training has to be adequate and sufficient enough to handle customer telephone contact.
12. In addition, the availability of opportunities for the agents to learn and make improvements and be able to focus on the customer's wishes will determine quality of contact.
13. In the case of contact by e-mail, the quality is mainly dependent on the agent's respect for customer's privacy.
14. If customer's needs and product specification are supplied in the e-mails and answers are provided promptly to the customers' questions, high quality of service can be achieved.

## 9.9 EXERCISE

### True/False

1. A call centre provides customer support and improves service quality to customers. (TRUE/FALSE)
2. Companies are becoming customer-oriented and investing in CRM and increasingly developing their customer relationship through telephone contacts (TRUE/FALSE)
3. Telephone contact is not the only channel managed from the call centre. (TRUE/FALSE)
4. The high rate of call centre agents leaving their job is a major challenge for managing the call centre's human resources. (TRUE/FALSE)
5. The quality of call centres depends more on the equipments and technology they used than the people working for them. (TRUE/FALSE)
6. The availability of the organisation when customers contact by telephone, and the call centre agents being polite, friendly , have good product knowledge, and willing to find solutions to customer problems have positive influence on their satisfaction.
7. Call centres save on costs of printing and postage by using e-mails instead of sending physical mailings. (TRUE/FALSE)

### Fill in the blanks

1. Besides contacting customers by telephone, agents in call centres also contact customers by means of other channels such as \_\_\_\_\_, \_\_\_\_\_ and \_\_\_\_\_.
2. The management of call centres consists of four elements, namely \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_ and \_\_\_\_\_ .
3. Asking customers to pay for using call centre services has a \_\_\_\_\_ influence on customer satisfaction.
4. The timing of telephone contact by call centre agents with customers should respect customer \_\_\_\_\_.

### Short essays

1. What are the four important elements of a call centre? Explain them.
2. The quality of call centres depends to a large extent on the people who work with technology in them. Explain the ways to make the call centre a challenging and conducive place of work.
3. What are the aspects of telephone conversation that have a positive influence on the caller's level of satisfaction?
4. Explain the factors that influence the quality of contact by telephone conversation in call centres.

### Long essay

1. Identify the negative influences on customer satisfaction using telephone and e-mail contact. What measures can you suggest to avoid these negative influences and thereby improve the quality of customer contact in call centres