

Creating Measurable And Actionable Metrics For Outsourced Call Centers



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Positioning Statement

It had humble beginnings, but over the years, outsourcing call center services has become a widely used strategy for deriving wide-ranging benefits that include everything from cost savings to operational efficiency improvements, brand building, and increased customer satisfaction. Deriving these benefits, however, is not easy and it becomes a possibility only when a systematic approach is followed and standard procedures and processes are implemented. Creating measurable and actionable metrics for outsourced call center services is one of the prominent procedural issues that businesses are expected to define, assess, resolve, and implement in order to achieve desired goals and objectives. Call center services outsourcing projects that are not supported by clearly defined measurable and actionable metrics are unlikely to sustain themselves profitably in the long run.

Introduction

The transformation of an offshore call center hub to a strategic, self-sustaining, and productive business resource does not happen overnight. It is something that requires consistent efforts and the will to make a difference. To ensure that the outsourcing services provider contributes equally to the cause, businesses need to create measurable and actionable metrics for outsourced call center services projects. For this, it is expected that businesses request the outsourcing services provider to come to the negotiations table to discuss the proposed performance and service metrics. Measurable and actionable metrics that are agreeable to both the client and the outsourcing services provider can then be formally included as terms and conditions in SLAs (Service Level Agreements). This whitepaper intends to highlight some of the critical areas that businesses need to cover while creating and negotiating measurable and actionable metrics for outsourced call centers.

1. Defining Call Blockage Rates

Defining acceptable call blockage rates is essential because it indicates the percentage of customers that will be able to access call center services at any given point. Here, it is necessary that a middle path be defined. A low call blockage rate will require more investments in communication systems and human resources, something that may not be appropriate for the defined cost structure of the outsourced call center. A high call blockage rate is also not recommended because it will adversely affect customer satisfaction levels. The outsourcing services provider can be consulted about existing facilities and capabilities in order to determine the most appropriate call blockage rates.

2. Defining Call Abandon Rates

A customer abandoning the call may appear to relate to prolonged call-waiting times due to network congestion. However, this is not always the case. Reasons for customers abandoning calls may vary depending on customer tolerance levels, urgency of the call made, past experiences, and availability of other service channels such as online chat, email support and knowledge databases. All these variables need to be properly accounted for while defining acceptable call abandon rates. Businesses can seek inputs about the call center services provider regarding variables that are likely to affect call abandon rates.

3. Defining Average Call Resolution Time

The average call resolution time indicates the average time it takes a call center agent to resolve problems and issues as specified by the customer. Call resolution times may vary depending on the complexity of the product or service, customer's profile, background or profession, and the skills and aptitude of call center agents. Here, it would be better if a variable rate having a specified range is defined rather than a fixed rate. However, doing so will require businesses to launch adequate incentives schemes so that the right motivation can be provided to call center agents for making consistent improvements in average call resolution timings.

4. Defining Expected "One-Call" Resolution Rates

"One-call" resolution rates refer to the percentage of calls that are successfully resolved the very first time a customer dials the call center number. It basically indicates the preparedness of outsourced call centers and also the skills and expertise of call center agents. However, since factors such as the product complexity and the customer's familiarity with the product and its features, functions etc. can also affect "one-call" resolution rates, it would be better if businesses do not set very high targets for outsourced call centers. Here also it would be better if variable rates are defined and backed up by appropriate incentive plans.

5. Defining Call Transfer Rates

Call transfer rates refer to the overall percentage of calls that were rerouted to another person or place. A high call transfer rate may appear to indicate the incompetence of front line call center agents, but that is rarely the case in reality. Most often it is due to the complex nature of the customer's problem, sharing of confidential data such as credit card and social security numbers, and sometimes even due to customers calling the wrong call center number. For example, if a customer dials the technical support number when he actually needs help with sales or invoicing, the front line call center agent will have no options left other than to reroute the call to the call center handling technical support services. All these factors need to be considered while defining expected call transfer rates.

6. Defining Call Etiquette And Establishing Procedural Standards

High attrition rates has been identified as a common problem afflicting most outsourced call centers and some experts believe that it adversely affects quality and efficiency of call center services. Experts opine that high attrition rates make it difficult for outsourced call centers to provide consistent high-quality call center services to customers. However, businesses should not allow a few bottlenecks to affect their outsourcing plans because the right solutions are readily available and the only requirement is systematic implementation. Defining call etiquette and establishing procedural standards is a good way to overcome problems created by high attrition rates. When these are properly defined and implemented, it would become irrelevant who actually takes the calls. Customers will continue to get high-quality and efficient call center services even when the entire call center staff might have been replaced by new recruits.

7. Defining Acceptable System Downtime Rate

This is where businesses should not be lenient, apparently because the direct fallout will adversely affect customer satisfaction levels. Successful outsourced call centers have achieved and sustained system downtime rate of less than 1%, which should precisely be the desired and acceptable system downtime level. Anything more than this will reflect the incompetence of the outsourced call center and also the lack of will on part of the client to provide "always-on", 24/7 call center services to their customers. To ensure that the outsourcing service provider does not benefit from making false claims, a physical verification of systems and equipment can be carried out at the stated offshore location.

8. Defining Call Conversion Rates

This is most applicable when the outsourced call center is designated to deal specifically with outbound and inbound telemarketing services. In such cases, call conversion rates refer to the overall percentage of calls that eventually result in actual sales. Having a high conversion rate is apparently desired, but businesses should avoid the habit of setting unrealistic targets. Instead of setting high targets that can easily backfire, what businesses can do is launch special incentives schemes that reward individual sales, irrespective of the set target. That way, call center agents will not feel overburdened by the stiff targets and will have the right motivation to keep them moving ahead on the right track.

9. Defining Upselling And Cross-Selling Capabilities

When a customer makes a call, it provides a good opportunity to call center agents to transform that support call into a strategic telemarketing call. This is collectively referred to as upselling, which has become the norm, apparently because it offers decent revenue-earning potential. Some businesses are also using it as a means to recover costs incurred on outsourcing call center services. Whatever be the objective, it would be better if businesses choose the middle path while defining upselling capabilities as expected from outsourced call centers. Defining high upselling targets for the outsourced call center will adversely affect primary call center objectives and customer satisfaction levels. Defining too low of a target will also not help because then the business will not be able to realize the full potential that might be available.

10. Defining Average Cost Per Call

Defining average cost per call is essential because it is a basic measure that indicates the cost-effectiveness of outsourced call centers. Here also, choosing the middle path is recommended. A high cost per call figure will indicate that industry standards are not being achieved whereas a significantly low cost per call will indicate that either quality has been compromised or some critical costs have not been accounted for. While defining average cost per call, it is necessary that capital investment costs also be included along with variable input costs. Businesses that do not do so will most likely try to enforce a low cost per call, something that might never be possible to achieve in the real world. Defining a high cost per call on the other hand will result in the outsourced call center getting way more than what it might actually deserve as per prevailing industry standards.

Conclusion

Properly assessing and defining key variables will definitely prove advantageous for businesses, especially when they are in the process of creating measurable and actionable metrics and negotiating the same with the outsourcing services provider. It will allow them to present their views and opinions more strongly and highlight the inherent advantages of the proposed performance and service metrics. Outsourced call centers will also benefit because then they will have clearly defined goals and objectives to work on. With measurable and actionable metrics properly defined, outsourced call centers will not have to worry about payment issues and the like, that might prevent them from providing high-quality and efficient call center services. Creating measurable and actionable metrics for outsourced call centers prior to the actual project initialization will thus create a win-win for all.

About Telegenisys Inc.

Telegenisys Inc., is one of the leading providers of Business Process Outsourcing (BPO) services, offering a wide range of back office, customer care & support and telemarketing outsourcing solutions to clients worldwide. Aided by world-class infrastructure, business competencies, domain knowledge & expertise and a dedicated group of highly skilled and trained professionals, we are able to provide the highest quality outsourcing services to clients.

Our core competencies include services such as customer care & support, B2C & B2B telemarketing, data entry & data conversion, web promotion, content development, accounting and financial services, tax consultancy, medical records retrieval, market research, database creations, document scanning & sorting, infomercial sales services, and insurance claims.

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