

Quality Measurement Methods *(Reprint from Booklet)*

A Guide for Call Center Managers
To Identify the Solutions in Building
Customer Loyalty with the
Proper Quality Measurement Methods

Service quality isn't about internal compliance.
It's about satisfying the customer.

When the day is done you need to be able to
answer the question, "Were our customers served
well by our call center?" With the proper approach
you can confidently answer this question.



**Quality isn't a score, it's about satisfying
my customers.**

THE COMPETITIVE ADVANTAGE

In today's economy competition is more fierce and more brutal than ever. We have experienced almost every product or service becoming a commodity. If you don't want to buy it here, go next door. This has caused companies to become more customer-focused in their service offering. Corporate arrogance can no longer be tolerated.

As W. Edward Deming said, *"Profit in business comes from repeat customers, customers that boast about your product or service, and that bring friends with them."*

Profitability and business success is not about having the best product or a nice commercial. It is about relationships. The old adage, "People do business with people," is more important today than any other time in modern history. It is critical that your call center meet and exceed customer expectations. Measuring quality and capturing the Voice of your Customer should be an integral part of your call center as much as answering the telephone.

More and more, you will find that quality will win over quantity. World Class call centers have a greater emphasis on satisfying the customer and building the metrics around what is required to accomplish it.

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Why This Booklet

This publication is a guidebook for those who want to improve the quality of service provided by their call center operation.

It will be helpful to those call center executives, managers, and quality managers who have begun to explore ways to maximize their return on investment in measuring quality. It is useful in assessing the different methods which can be utilized and provides answers for those who want to know more about how to create an approach that will highlight factors necessary to create a Balanced ScoreCard.

It has been prepared by Dr. Jodie Monger, President of Customer Relationship Metrics and founding member of the Purdue University Center for Customer-Driven Quality and Jim Rembach, Vice-President of Customer Relationship Metrics and a Purdue Certified Call Center Auditor and former call center manager.

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HISTORY

We can understand the maturation of the call center industry by tracing what it is that managers pay attention to. Call center managers traditionally have paid a great amount of attention to the easily defined metrics including talk time, after call work time, number of calls per agent, abandoned rates and cost per call.

These days, World Class call centers balance their focus by including customer satisfaction, customer lifetime value, employee retention, return on investment, and impact to the organization.

Traditionally, today's call center leaders have progressed in their call centers from the position of agent or were placed in a leadership role without the knowledge of what is required to be successful. In order for these call center professionals to determine how to create a successful call center, they need to understand how to create the proper balance between people, process, technology and reporting.

This has created a need for call center professionals to become more business-oriented to manage their call centers as a business within a business. Return on Investment (ROI) and developing business cases with cost-benefit analysis has become a necessity.

ABOUT US



Customer Relationship Metrics, L.C. (Metrics) was created in 1993 by Dr. Jodie Monger to help Fortune 1000 companies quantify the Voice of their Customer. Metrics combines the world of academe with the business world to produce revolutionary customer relationship management research.

Our extensive data gathering processes provide critical customized information about your business, allowing us to assess your needs and take your business to the next service delivery level. Distilling complex data to provide practical, cost-effective solutions that increase your bottom line is our specialty.

Customer Relationship Metrics delivers beyond the contractual scope of assignments through its diverse experience in customer relationship management. Our extensive research skills, knowledge of customer satisfaction drivers and reliability to deliver, is why clients choose Metrics.

What Follows

The remainder of this booklet will tell you more about quality measurement methods and the philosophy behind our success.

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OUR METHODOLOGY

At Customer Relationship Metrics, we help our clients to create alignment across the quality-defining metrics to ultimately produce a Balanced Performance ScoreCard. Research has proven that caller satisfaction and therefore customer loyalty to the company can result when Call Statistics (Metrics), Call monitoring, and customer feedback are in alignment and the proper focus on each dimension is accordingly managed. As part of this process, we provide solutions to quantify the effectiveness of the call centers' product -- the service delivery.



We know the foundation of Customer Relationship Management is to develop a comprehensive measurement program that will quantify the Voice of the Customer. We do this by creating the proper satisfaction survey that leads to actionable results that are timely.

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Caller satisfaction has to be measured to complement a call monitoring program. We measure contact satisfaction to quantify any changes in customer experience and expectations. We quantify the service interaction to determine which factors are not resulting or leading to customer loyalty.

We use Completely Automated Telephone (CAT) surveys that occur immediately after the service interaction because it provides the strategic information (and often times “Armor”) to answer or combat the questions about or criticism of call centers. In addition, CAT surveys provide the most effective input for coaching and training.

Telephonic customer service delivery is not the same as electronic customer service delivery and the customer perception of a successful interaction is not the same. We use CAT surveys to measure eContacts as well. It’s important that the evaluation mirrors the service contact.

We leverage different measurement methodologies so a contact center can definitively answer the question of how service is being delivered for each service type, customer type and at what value to the enterprise.

IMPROVING QUALITY WITH PROPER MEASUREMENT METHODS

Quality can be measured in many ways in a call center. The ultimate objective of any quality program is to answer the question, “Are our customers being served well by our call center?” The measurement methods utilized are critical to having a valid answer to the question. Quality is important to you because in today’s “commoditized” economy, the only differentiating and competitive advantage a company has is the service it provides. All too often companies which have the best product become extinct due to poor service.

Most call center managers who focus on maintaining a high level of quality service in their center have implemented call monitoring programs. These programs include five to twenty live and remote monitoring occurrences a month of an agent’s calls with different customers. Through this process, the agent is held accountable to a predetermined set of criteria. The criteria often include courtesy, verbal skills, listening skills, product or service knowledge, willingness to help, sales, and more depending on the industry and product/service. Much of the criteria are represented on a form (Monitoring Form) that is utilized by a member (Monitor) of the call center who is responsible for grading the compliance of an agent’s call. There are many strategies to determine who in the center is responsible for the evaluation. Some-

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times one person or a team is responsible for evaluating all of the calls. In other instances, the agent's team leader is responsible for this task. There may also be a blending of the two and even outsourcing the task to a third party.

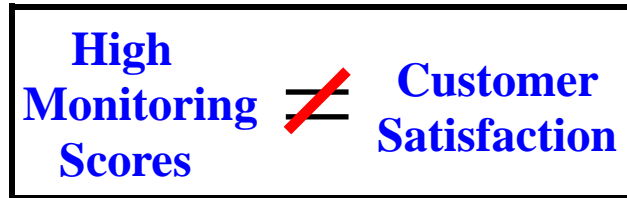
The Monitoring Form is a guide for a Monitor that may have been created by different people in the call center, by a manager, or sometimes by a senior level executive that has a personal expectation of how a call "should" be conducted. The theory is that if an agent follows the criteria set forth in the Monitoring Form, the customer will receive a high level of service and the company will retain them as a customer since satisfaction contributes to loyalty.

Over the next five years, Gartner, Inc. predicts, "more than 75% of American business will fail to fully meet customer expectations for customer service excellence."

In reality, this theory leaves a lot of call center managers scratching their heads in disbelief when any type of customer feedback is captured and the gap between the internal quality scores and the customers' measured level of service is a negative double digit variance. How is that possible? What is the problem?

The problem is that all customers want to be taken care of efficiently and effectively, but elements to accomplish this varies from one person to the next. Therefore, creating a Monitoring Form with set criteria that must be adhered to for every call may be inappropriate, contribute to the above mentioned gap, and even cause some caller dissatisfaction as the agent forces required criteria into the call. A Monitoring

Form should be a dynamic instrument that can handle different types of interactions with the ultimate goal being, “The customer was satisfied and a repeat call will not occur”.



How do you create a dynamic Monitoring Form and reduce the gap between internal quality scores and customer quality evaluations? You do it by taking a multi-faceted approach and by using different methods to gather perceptions of quality. Surveying customers has been around since the late 1800s. Today there are several commonly used, albeit different, methods for gathering customer feedback. Using only one method does not present a complete picture of your service delivery and would contribute to the double-digit gap mentioned above. Every type of survey method has its benefits and the chart below compares each method and this is followed by a detailed explanation of the rationale. The key is to include a few different methods to create a complete quality measurement strategy. When a complete strategy is attained, a Balanced ScoreCard for Performance/ Incentive based compensation is recommended.

Quality Measurement Methods Comparison	Automated Process				Manual Process	
	CATs	Internet	IVR	Mail	Internal Call Monitoring	Live Interview
	Cost Effective	✓	✓	✓	✓	
Random Selection	✓	✓		✓		✓
No Experience-Evaluation Gap	✓	✓	✓			
Low Survey Invitation Costs	✓	✓	✓			
Participation Rates > 30%	✓					
Completion Rates > 95%	✓	✓	✓	✓		✓
Scores Equal Caller Perception	✓	✓	✓			
Useful for CSR Coaching Sessions	✓	✓			✓	
Useful for CSR Incentive Pay	✓	✓			✓	
Timely Reporting of Results	✓	✓			✓	
Accuracy to CSR Level	✓	✓	✓		✓	
Flexibility in Construction	✓	✓		✓		
Comments Captured and Reported	✓	✓		✓		✓
Immediate Service Recovery Alerts	✓	✓				

The different methods used to access quality include: CATs (Completely Automated Telephone surveys), the Internet (including Emails), IVR (Interactive Voice Response), the Mail, Internal Call Monitoring and Live Interviews. Of all of the methods, Internal Call Monitoring is the only method that cannot capture direct customer feedback. Actually, it is only an internal evaluation method

that aids in compliance with internal criteria. If this is the only method that is being used by your call center, you are missing the most important component of the quality service equation -- the customer. A combination of the other methods should be used in conjunction with internal call monitoring to insure you are delivering the quality of service your customers expect.

Obviously, the most cost-effective methods in capturing customer feedback are methods that do not require a lot of human involvement. The methods that are the most automated include CATs, Internet, IVR and Mail.

CATs, while using IVR-type technology, is much more sophisticated. The system is more flexible, scaleable, and provides much greater depth in possible reporting than an IVR. This system allows callers to be randomly selected to take a survey after an interaction with a call center agent has concluded. Agents are unaware the caller has been invited to take the survey therefore there is no differentiation in the quality of service provided with knowledge of a pending evaluation. This is a method that many call centers use as part of their incentive pay program because it provides the most relevant results. The system also provides service recovery opportunities by providing Email service recovery alerts to key personnel, in the event a customer rates an interaction poorly. The reporting of performance by the CATs system is also extremely flexible and contains in depth analysis that can be posted electronically, hard copy, on an intranet or the Internet.

In the past few years, call centers have experienced the greatest increase in contacts from Internet-related channels. Thus, Internet surveys are gaining as quickly in popularity.

If a customer chooses to do business with you via the Internet, it is only practical to gather their perception of quality via the same media. Internet surveys can be delivered in several ways including email, website pop-up, and a redirect to a specific web page that is on the organization's website or hosted by a third party. Customers do not use the Internet and email the same way. It would be best to experiment to determine which method(s) are best for your clientele. The Internet methods share some of the same benefits as the CATs method, however many people are apt to delete emails and close pop-ups therefore the participation rate is lower than CATs.

IVR is one method that is gaining in popularity although not as quickly as the Internet. An IVR is less robust than a CAT survey system due to internal resource limitation, design and analysis issues, trunk capacity limitations, reporting production, and the inability to capture customer comments or to provide service recovery alerts.

Mail is the least economical of the automated survey solutions. While it may initially feel like it is inexpensive, the cost is actually quite high considering every survey requires postage to be mailed out. Customers are often frustrated because the opportunity to evaluate service is presented too long after the experience. For most people, a three and a half minute interaction two weeks ago is impossible to recall and therefore participation may not result in valid or actionable results. It is also difficult to use the results as an agent feedback tool due to the lack of confidence that your CSRs will have in the results.

The two remaining methods used to assess quality are manual processes that require a significant amount of human

interaction and can be cost limiting and even prohibitive for many organizations.

Internal call monitoring is a practice, which can be found in a large percentage of call centers. If combined with one or more of the automated methods the combined deliverable, if used properly, can be the competitive differentiator many organizations are looking for. If used in isolation, internal call monitoring does not answer the question, “Are our customers being served well by our call center?”. Without the customer input, any answer you currently provide is largely speculative. In isolation, internal call monitoring will not produce the return on investment it could if it were combined with an automated customer feedback method. The low ROI (high cost producing low value) to answer the quality question is why many centers do not monitor more than five calls a month. Leverage your current investment by making improvements in the monitoring form and process while adding the customer input to your program. The ROI increases because of the information that is now available to manage improvement to, and to report to, management outside of the center.

Live Interviews are the most expensive method to gather customer feedback. Like mail, if the call to invite a customer to participate is too long then the degradation of memory becomes too great for a proper evaluation to occur. The cost to invite for live interviews is high as well, because a call has to be made to invite the customer to participate. Also in recent years outbound calling to customers has fallen in to disfavor and people have taken more creative measures to protect their privacy. This has resulted in a smaller population of people willing to participate in telephone surveys. For the people that are willing to participate

organizations find themselves getting the same feedback from the same people and degrading the results.

Evaluating quality is not as simple as one, two, three. It is a thought provoking and passionate conversation for any call center professional. In order to ensure you acquire a competitive advantage and a Balanced ScoreCard, make sure you don't overuse or under use any of the methods listed. The key is to be consistent and properly analyze the feedback and turn it into actionable results in a continual improvement process. If you don't some other organization will.

For more information on CATs or any other survey method, go to www.Metrics.net or call 336-288-8226.

SETTING UP A CATS PROGRAM IN YOUR CALL CENTER

All projects are designed and customized based on our clients' specific relationship management and industry-specific objectives. Some of the fundamental program steps we conduct in a comprehensive Voice of the Customer program include:

1. Understanding the center management's requirements for a customer evaluation program to develop the survey script(s) needed to meet objectives.
2. Determining the data collection sampling strategy for the project.
3. Working with the call center technology team to design the solution for getting your customers to the automated survey immediately after the call.
4. Testing the transfer process with your CSRs and reporting the findings.
5. Monitoring the implementation (going-live) of the program.
6. Designing the format for the presentation of results.

7. Downloading the data from the CATs system for each collection period.
8. Conducting the analysis to identify the statistically significant drivers of caller satisfaction.
9. Producing reports for the center, the team, and for individuals with complete text transcription of all customer comments.
10. Providing report cards for each CSR detailing their performance scores with their customers' comments.
11. Generating service recovery opportunity systems using Email alerts which notify managers of "at-risk" customers, their direct comments, and a contact number for immediate recovery follow up.
12. Providing customer feedback data to be uploaded into your Balanced Scorecard performance management system.
13. Conducting performance comparisons of your service delivery to other clients.

For a demonstration of this system, please call
Toll-Free: 1-866-537-8500

NEXT STEPS

When you are ready to launch your Balanced Scorecard approach using Customer Relationship Metrics' methodology give us a call to arrange a consultation. We'll give you an opportunity to discuss your needs and how we can help you achieve your performance goals.

You can reach us by dialing: **1-336-288-8226**

You can find us on the Web at: **www.Metrics.net**

Reach us via e-mail at: **Jim.Rembach@metrics.net**

Or simply write to us at:

Customer Relationship Metrics
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Sterling, VA 20164

We hope you've enjoyed reading this booklet and look forward to hearing from you soon.

APPENDIX A: ABOUT CUSTOMER RELATIONSHIP METRICS

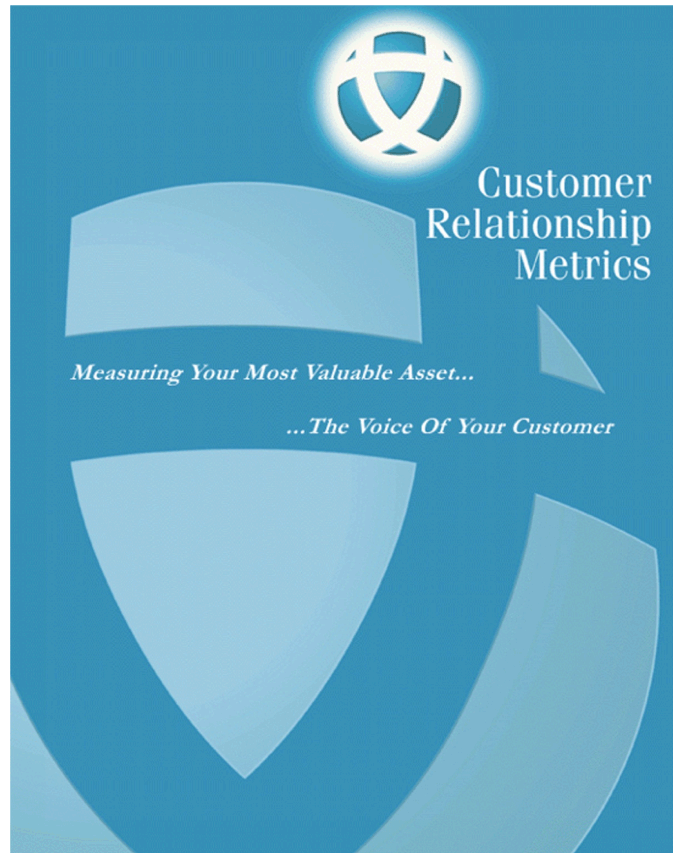
Dr. Jodie Monger is the President of Customer Relationship Metrics, L.C. Dr. Jodie was also a founder of the Purdue University Center for Customer-Driven Quality.



For over ten years, Dr. Jodie has worked with Fortune 1000 companies to help them quantify the Voice of their Customer. These companies in turn utilize Dr. Jodie's research and knowledge to enhance customer satisfaction and relationship management. She allows them to turn their performance results into actionable improvement initiatives. Dr. Jodie has worked with clients in numerous industry sectors with their B-to-B and B-to-C business units.

In addition to customer relationship management design and implementation, Dr. Jodie has published several books and numerous articles relating to customer service excellence. She is a respected and requested speaker at industry events throughout the country.

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Try our CATs Demo Toll-Free: 1-866-537-8500

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