

How to use Customer Feedback to Drive Operational Excellence

These are the 10 rules we have developed, in conjunction with our clients that will enable organisations to position customer satisfaction measurement and management at the heart of their operation:

- i) ***Make Customer Satisfaction, First Call Resolution and Repeat Calls KPIs.*** The current KPIs that are used to manage contact centres are next to useless because:
 - They are activity, not outcome based, e.g. operational management by service levels and call volumes tell you how well you answer calls – this is a huge “so what?” – outcome metrics like Customer Satisfaction, First Call Resolution and Repeat Calls tell you much more:
 - Did you meet your customer expectations?;
 - How efficient is your operation?; and
 - How to avoid failure – repeat – calls.
- i) The combination of Survey 360 results and our operational change management methodology allows management to ***manage by resolution*** and not activity – which is an irrelevant currency.
- ii) ***Survey directly after the call and DO NOT let advisors “Cherry Pick” which customers to survey.*** It is essential to capture the real-time customer experience that is rich in both fact and emotional content. If you allow advisors to self-select which calls are surveyed, the results will be distorted and virtually meaningless. Our solution supports randomised survey prompting for advisors, irrespective of the call. In addition we provide a range of reports that identify advisors who try and Cherry Pick by asking for a survey when not prompted and not asking for a survey when prompted.
- iii) ***Ask Advisors and Provide real-time feedback – how was it for you?*** Survey 360 has been designed as an operational change management tool and advisors are able to:
 - See the customers scores in near real-time (within 15 minutes);
 - Contrast the customer’s scores with their own and their team leader/coaches;
 - Compare their scores against best practice;
 - ***Learn from the moment*** – this is what we mean by placing quality control in the hands of the advisors.
- iv) ***Ask Action Oriented Closed Questions.*** We have found that customers are tolerant of surveys of up to 5 questions for IVR/SMS and 10 for e-mail/Web. We ensure that each question is rapidly understood and only assesses one service characteristic – i.e. avoid questions with two components such as “friendly and helpful”. We also align questions to service attributes that the advisors can relate to and influence.
- v) ***Ask one Free-Format Question.*** Verbatim questions are a bit like rock pools, you never know what you are going to find. Typically questions like “what is the one thing we could do to...” result in a very rich response. Not only do you get a better contextual perspective about the current scores but there is a strong probability that you will also get feedback about previous experiences with your company and your competitors. We frequently see comments like “Anthony really new what he was doing and is a credit to your organisation ...but the last time I called you said ... and

you did..... and this made me feel.....”. Our verbatim analysis tool correlates the numerical scores with the verbatim comments to identify:

- The percentage of positive and negative verbatim comments;
- The percentage of individual commendations and complaints;
- The top five reasons for complaints linked to the underlying root cause.

Senior management find *our voice of the customer analysis* easy to relate to and a pivotal tool in communicating “what good looks like” from a customer perspective.

Finally, don’t restrict the verbatim question to the customers, *ask your advisors and team leaders/coaches* to comment on the learning and development opportunities that calls present.

- vi) ***Establish the Link Between Customer Satisfaction and Operational Excellence.*** We have found that the number one factor that drives customer experience is first call resolution. Making this link analytically enables an operation to quantify the investment return that improving customer satisfaction will have. One of our clients found that every 1% increase in first call resolution resulted in a corresponding 1.1% increase in customer satisfaction. Armed with this knowledge the maths are simple – every 1.1% rise in customer satisfaction through first call resolution releases 1% operational capacity.
- vii) ***Identify and Celebrate Local Heroes.*** There will be a small core of advisors, typically less than 5% of the total population, that deliver staggering customer satisfaction and operational excellence scores. Our methodology:
- Identifies these exceptional individuals;
 - Identifies what makes them special in terms of competences and behaviours;
 - Uses these characteristics to develop the “DNA of a Perfect Call” for each call type that can be used to educate, coach and motivate other advisors to strive for excellence. We have found these internal benchmarks are readily accepted and much more relevant than external benchmarks.
- viii) ***Review Questions and Responses.*** Don’t be afraid to change questions and the responses, but be conscious of the need to maintain a baseline to compare the effectiveness of change programmes. We recommend that questions should be reviewed on a quarterly basis and fine tuned as required.
- ix) ***Publicise the Results, set Goals and Create Incentives.*** The clients that are most successful in “managing by outcome” share a common approach:
- They publicise the results of the surveys and key findings;
 - They celebrate success and the impact of adopting “Local Heroes” best practice;
 - They define what is going to change over sort horizons (1 month – 3 months);
 - They plot their progress against the expected change trajectory;
 - They incentivise their advisors based on the survey response rate, not on other scores which would reinforce any “Cherry Picking Tendency”.

The above steps ensure that the advisors remain engaged and committed and goes a long way toward avoiding “Survey Fatigue” - the point at which surveys are seen as a chore where the benefit of doing them does not outweigh the effort required.

- x) ***Make the Survey Size Representative.*** Call monitoring typically results in between 4-20 calls per month being assessed. Our solution allows a much higher percentage of surveys to be conducted and integrated with call quality scoring (some clients use our applications to do both).

Case Study

One of our clients recently deployed Survey 360 across a number of their UK and offshore sites. They are facing in a very challenging, but common, problem of success: demand for their products and services are outpacing their ability to handle call volumes. Having significantly increased capacity the clients was still playing catch-up and unable to meet the latent demand for their services. We ran a multi-site pilot for a three month period that revealed some surprising findings:

1. 55% of all calls were repeats;
2. 18% of all calls were from customers who had called in 4 or more times previously about the same issue;
3. The percentage of calls that were resolved first time was 28% - from a customer perspective;
4. The percentage of calls that were resolved – note this is not FCR - was:
 - 73% from a customer perspective and
 - 94% from an advisor perspective ;

Put another way 27% of customers thought their calls were NOT resolved compared with only 6% of advisors, i.e. a greater than 400% perception gap.

5. 25% of verbatim comments were positive with 10% featuring advisor commendations;
6. Customers satisfaction was strongly correlated to call resolution.

- . (1) Note the centres we benchmarked were virtual and some centres were much more effective in resolving rather than handing off calls - hence the high repeat call percentage.

In a nutshell what was happening was that in an effort to answer the “wall of calls” the client was faced with, the management regime had inadvertently drifted towards call recycling rather than call resolution. This is understandable given the pressure on recruiting and training new advisors in, what is a relatively complex area of customer service and support.

So, the starting premise that there was too few staff to handle calls was incorrect - in fact 55% of staff were engaged in handling repeat calls and only 28% of staff contributed to FCR. So more than 70% of the organisations capacity was engaged in call recycling that was not only expensive, it was also highly damaging to the overall customer experience. Survey 360 made repeat calls visible and quantifiable for the first time, enabling management to develop a 3 month change programme that would focus the operation on management by resolution. Over a 6 week period the results were impressive:

- FCR increased from 28% to 50%
- Customer satisfaction increased from 68% to 82%

Increasing FCR by 22% meant that the operation had immediately regained 22% of the call handling capacity that hitherto had been wasted.